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With Clinton in Israel, Hyde Calls on Him to Quit

Controversy Following President To Mideast

By John R. Harris
Washington Post Service

JERUSALEM — President Bill Clinton, appearing subdued and weary as the impeachment controversy shadowed his summit visit here, declared Sunday that he has never considered resigning, but added that he plans no campaign of personal appeals to legislators to save his office.

Questioned by Israeli journalists on the possibility of his resignation, he said: "It's never crossed my mind."

At a news conference with Prime Minister Benjamin Netanyahu, the unfolding drama in Washington over Mr. Clinton's fate dominated even the equally uncertain drama over whether the Mideast peace process can be salvaged. Even Israeli reporters pressed Mr. Clinton about the controversy, prompting Mr. Netanyahu to plead for questions about resciling the troubled Wye River agreement between Israel and the Palestinian Authority.

"It's out of my hands," Mr. Clinton said of the House vote this week on whether he should be impeached and forced to face a Senate trial. "If any member wishes to talk to me or someone on my staff, we would make ourselves available to them. But, otherwise, I think it's important that they be free to make this decision and that they not be put under any undue pressure from any quarter."

Over the space of 30 minutes, Mr. Clinton was both resigned and defiant. In his first public comments on the House Judiciary Committee's work last week approving articles of impeachment, Mr. Clinton said he was never surprised by the action. "This has been obvious to anyone who is following it for weeks that the vote was foreordained."

At the same time, he rejected pleas by some uncommitted Republicans in Congress and even some of his own advisers that he make a forthcoming statement acknowledging that he made false statements under oath in the Paula Jones lawsuit when he denied a sexual relationship with the former White House intern Monica Lewinsky.

"I can't do that because I did not commit perjury," said Mr. Clinton, adding: "Now, was the testimony in the deposition difficult and ambiguous and unhelpful? Yes, it was."

Mr. Clinton did make an oblique reference to a public statement one of his own attorneys, Charles Ruff, made last week acknowledging that what Mr. Clinton intended as "soft" answers crossed the line into perjury.

"I agree with what Mr. Ruff said about it," Mr. Clinton said. "I thought he did an admirable job acknowledging the difficulty of the testimony."

Mr. Clinton was pressed twice by Israeli journalists on whether he might follow the example of former President Richard Nixon, who resigned after the Judiciary Committee voted impeachment articles against him. To the first of

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Representative Henry Hyde, chairman of the House Judiciary Committee: "I think the president should step down. It would be heroic if he did that. He would be the savior of his party. It would be a way of going out with honor."

President Bill Clinton, who laid a stone of remembrance Sunday on the grave of Yitzhak Rabin, said in Jerusalem: "I have no intention of resigning. It's never crossed my mind."



Doug Mills/The Associated Press

A Peacemaker Finds the Moral High Ground

By Deborah Sontag
New York Times Service

JERUSALEM — President Bill Clinton may have left the United States on the heels of what one Israeli daily termed a congressional *intifada*, using the Arab term for uprising. He may have suffered a lukewarm greeting from a reluctant host, Prime Minister Benjamin Netanyahu. He may face very uncertain success rather than the triumphant celebration of peace originally envisioned.

But there is no question that Mr. Clinton is engaged in a critical salvage mission for the faltering peace

effort and that he has made himself an indispensable authority figure in the blood feud between the Israelis and the Palestinians.

It may seem a peculiar role for him at this moment, given his domestic troubles, but here Mr. Clinton is striking out the moral high ground.

On the eve of the Jewish holiday of Hannukah, a newspaper cartoon in the daily *Yedioth Achronot* depicted the American president as a burning candle who has come to "dispel darkness" — as did the Maccabees in the revolt commemorated by the Feast of Lights.

Indeed, when Mr. Netanyahu and Mr. Clinton ad-

dressed a convention hall filled with teenagers Sunday, they were a study in contrasts.

In a calm but defensive speech, laced with attacks on the Palestinians, Mr. Netanyahu made clear to the youth of his country the mistrust that underlies his commitment to the peace effort. He spoke of the supposed freedom with which Palestinians could roam through Israel, visiting Tel Aviv or the beach at Netanya. But, in contrast, he said, "Well, you can enter Gaza, that's for sure, but getting out of there, that's a different story."

Mr. Clinton, on the other hand, gave an uplifting,

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AGENDA

Rebel Cuts Off Ties To Kurdish Conflict

TURKEY, Turkey (Reuters) — The Kurdish rebel leader Abdullah Ocalan told a Kurdish television channel Sunday from detention in Rome that he was cutting off relations with the armed conflict between his Kurdish Workers Party and Turkey. "If the guerrillas want to continue what they have been doing for 15 years, then I have nothing to do with them," he told Med TV. He did not make clear whether he was surrendering control of the organization, which has both a political and a military wing.

All Eyes on Chiefs As Boeing Struggles

After a swift year of monumental production foul-ups, \$4 billion in unexpected accounting charges and lots of talk about illusive recovery plans, the news from Boeing Co. only seems to get worse. As the company's 13-member board is set to meet Monday, the ouster of a Boeing chief executive is being openly discussed by employees and on Wall Street. Page 13.



A FOLKSY DEMOCRAT — Governor Lawton Chiles, 68, of Florida died Saturday. Page 3.

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The IHT Online www.iht.com

New Chance for Schroeder

German Presidency of EU Offers Opportunity For a Success That Has Been Elusive at Home

By John Vinocur
International Herald Tribune

VIEENNA — Barely a month into his first 100 days as chancellor of Germany, Gerhard Schroeder has been widely marked down at home for having made a mediocre start. Taking up Germany's six-month presidency of the European Union, Mr. Schroeder may now find the task of moving Europe ahead easier to

turn into what he can call a success.

ANALYSIS In Europe, Mr. Schroeder has laid out the goal of reaching a compromise, if not a complete resolution, of the future financing of the EU by March. After a weekend summit meeting here, the undertaking, however complex and conflictual, appears within reach largely because the community's leaders are determined to protect the introduction of the new single currency from being damaged by talk so divisive as to create a crisis in early 1999.

Mr. Schroeder, with the kind of clarity and self-assurance that his critics say

has been missing from his formulation of domestic policy, pledged that a solution would come "even if it is at 3 or 4 in the morning" at a special summit meeting in Brussels in March.

If this is the case, by the end of Germany's six-month term in June, the EU should have a cost-agenda for its next six years, allowing for decisions on its expansion eastward, and the initial conceptual elements, in cooperation

EU leaders charting their war on unemployment. Page 5.

with NATO, for its own autonomous security force, backed by a foreign policy that could offer the community a single external voice for the first time.

The circumstances bear a trace of irony. With the exception of a promised employment package, possibly containing notions of wage, tax and social harmonization that may clash with some members' views of competition and free

market.

Only two other presidents, Andrew Johnson in 1868 and Richard Nixon in 1974, have come as far as Mr. Clinton now has down the perilous path toward removal from office.

The 435 members of the House of Representatives have been summoned to return to Washington for a historic

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Leader of IOC Threatens Expulsion of Bribe-Takers

By Christopher Clarey
International Herald Tribune

LAUSANNE, Switzerland — Juan Antonio Samaranch, president of the International Olympic Committee, threatened Sunday to expel any IOC members found guilty of taking bribes.

Samaranch was speaking at a press conference called hastily in response to a series of allegations by Marc Hodler, a former president of the International Ski Federation and the second-most senior member of the IOC.

Hodler, an 80-year-old Swiss lawyer with a desire for electoral reform, shook up a weekend meeting of the IOC's executive board by saying Saturday that vote-buying

has long been part of the bidding process for Olympic cities.

Hodler made that allegation and others during a series of remarkable conversations with reporters at Olympic headquarters in Lausanne.

"To my knowledge, a certain part of the votes always have been given through corruption," said Hodler, whose comments were unprecedented for an IOC member of his stature.

Hodler said that at least four individuals he termed "agents" have offered blocks of IOC members' votes to cities bidding for the Games in exchange for bribes ranging from \$500,000 to as much as \$5 million. Hodler said one of the agents was an IOC member, although he declined to identify him. "He promises that he will give enough votes so they can win," Hodler said.

Hodler, who is responsible for establishing the Olympic bidding procedures, said one of the agents claims that "no city has ever won the Olympic Games" without his assistance.

"The four agents, they make a living like that," Hodler said. "I missed a chance to be a rich man."

Hodler said he believes that "5 to 7 percent" of the IOC's 115 members ask for financial support in exchange for their votes. Without offering any specifics, he suggested that both Atlanta



Marc Hodler, a Swiss lawyer who alleges corruption in the IOC.

Japan Nationalizes an Insolvent Bank

Tokyo Seeks to Show Resolve With Forceable Takeover of Nippon Credit

By Sandra Sugawara
Washington Post Service

TOKYO — Japan forcibly nationalized debt-ridden Nippon Credit Bank on Sunday, with the authorities declaring that the action was needed to prevent the collapse of the major bank from undermining the stability of the Japanese financial system.

"We were concerned that if we took no action it would cause financial turmoil," said Hakuo Yanagisawa, the financial reconstruction minister who heads a newly formed bank restructuring commission.

Bank executives vigorously protested the government's action. "The government's decision was made in an abrupt manner, and it is extremely re-

grettable that our bank has been temporarily nationalized," said the president of Nippon Credit, Shigeo Togo, according to the Kyodo news agency.

Nippon Credit rejected the government's request that the bank voluntarily declare that the action was needed to prevent the collapse of the major bank from undermining the stability of the Japanese financial system.

The action follows the Oct. 23 nationalization of Long Term Credit Bank Ltd. of Japan. Mr. Yanagisawa said the moves demonstrated that the regulatory environment in Japan had changed dramatically and that the government would begin imposing rigorous standards on banks to try to win the confidence of financial markets.

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Alarm Grows as 3d Iranian Writer Is Found Dead

By Douglas Jehl
New York Times Service

TEHRAN — Three Iranian writers have disappeared in the last month, and now all three have turned up dead. In late November, an opposition leader and his wife were found murdered, stabbed to death in their Tehran home.

Not since the revolution nearly 20 years ago has Iran witnessed such eerie, inexplicable violence. And more than at any time since the election of President Mohammad Khatami, hopes that Iran might be moving

toward a more tolerant new day are giving way to fears of dark times ahead.

"I, too, may disappear soon," said Firouz Gouran, the host of a weekend gathering that was part protest and part wake. More than 40 writers, poets, and other secular intellectuals turned up at Mr. Gouran's apartment, but none had dared to make the trip alone.

In an open letter to Mr. Khatami that was drafted during the session Sunday, the intellectuals appealed for government protection.

"We writers wish to call on the chief executive, who

is in charge of ensuring the safety of all citizens, to

end this horrible situation by any means," they said.

The body of the latest victim, Mohammed Jafar Pouyanesh, a writer last seen Wednesday, was identified by relatives Saturday.

Family members said his body showed signs of strangulation, just as the dissident poet Mohammad Mokhtari, whose body was found last week, was reported to have been strangled.

Another writer, the dissident Majid Sharif, was found dead this month in what friends have said were

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Cyprus	£ 2.10 Nigeria
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THE AMERICAS

Solemnity and Uncertainty Settle Over Impeachment CaseBy Adam Clymer
New York Times Service

WASHINGTON — A touch of dignity and a heavy dose of uncertainty is surrounding the capital as what seems to be the only city in the United States that takes impeachment seriously looks toward a House vote on articles calling for President Bill Clinton to be removed from office.

While few are predicting the result with much confidence, there is one area of agreement — that the outcome depends on a dozen, or 20, maybe even 30, undecided members of the House of Representatives.

But that is where broad generalizations break down — as they have throughout this 11-month agony. The best example came Friday, when Mr. Clinton's latest apology speech was dismissed as a failure, because he did not say "I committed perjury" or "I lied" or even "I did not tell the truth."

Several Republicans said they might have been won over by such a confession and they were disappointed. But that hardly proves that other lines in the speech, the greater level of expressed sorrow and even the apology for putting the country through such a mess, did not matter, either by persuading some other member or by keeping someone on the fence.

For this process is now in a singular

stage, where hundreds of White House officials and reporters and politicians deal with a speech heard by several million people, and no more than 30 of the potential listeners matter.

They are individuals, and even friends who know them well do not know just what will move them when they have to vote this week. For some it might be an admission; others may still be wrestling over the strength of the evidence or whether the offenses alleged rise to a level demanding impeachment.

NEWS ANALYSIS — One obvious example is Representative Robert Ney, who said after the speech that he was disappointed that Mr. Clinton had not said: "I didn't tell the truth under oath." But, the Ohio Republican said, "It didn't alter me in any direction."

Mr. Ney really seems to be worrying about how he ought to vote, a position that leaves him vulnerable to a claim from the right, which generally approves his conservative voting record. To him, this is a solemn occasion.

The House Judiciary Committee seemed to be grappling with solemnity Saturday, too, after days of debate in which opposing arguments were ridiculed as "smoke screen" or "shell game." Representative Charles Schumer, the Democratic senator-elect from New York, said an abuse-of-power count was so broad that its terms could

apply to George Washington and every president since him.

Representative Howard Coble, Republican of North Carolina, sometimes a fierce attacker, insisted, "I'll have knots in my guts next week when I cast my vote," and added, "I don't take this lightly at all." He said the last time he felt an issue so heavily was nearly eight years ago when he voted to send U.S. troops into combat in the Gulf.

But while the committee's often petty and almost always partisan and personalized consideration of the question may be weighed in history, it probably has no impact whatever on what comes next.

By now most members of the House have made up their minds on charges, either on the evidence or on their sense of political survival. In the insular world of the House of Representatives, few members really have to fear the other party.

Among the Republicans re-elected last month, for example, only 10 won with 52 percent or less of the vote. Among the Democrats, only five did.

But there are risks in going against your own party. One is the risk of complaint from old supporters. Another is a possible primary challenger.

So the focus comes back to those 30 or fewer truly undecided members — most, but not quite all, of them Republicans.

Some Republican leaders seem sure that defections will be few enough that

they will win the impeachment vote. They are plainly trying to build momentum with a series of announcements from members who say they were previously undecided. Some were; some were just unannounced.

They count on pressure from the Republican base, and they sometimes use the argument that the vote is really inconsequential because the Senate will ultimately acquit the president.

For the White House and the Democrats, the issues are more complex. Their target is 11 more Republican defectors than Democrats who desert the president.

This White House has always had strained relations with House Republicans and knows few of them well. It is hard to find a way to approach them directly. But there are some guarded hopes among those involved in preserving Mr. Clinton's presidency from impeachment and trial.

One belief is that most of the people who say they are undecided really are.

The second, more dubious hope is that the speaker-designate, Bob Livingston of Louisiana, will have to confront a group of fence-sitters demanding a chance to vote for censure, and arguing that without one they — and with them the Republican majority — are at risk in 2000.

But Mr. Livingston made it clear Saturday night that he would fight against

that option, and it is a fight he will very likely win.

Some of their hopes are even more uncertain. They maintain that the public will be altered by the committee votes, angrily discovering that the impeachment that pundits so easily dismissed as real after all.

The White House hopes that such a suddenly intense unhappiness will be communicated to members. Once again, just as with the issue of how Mr. Clinton described his dubious statements about his affair with Monica Lewinsky on Friday, this is not something that can be measured on a national scale. If three old friends come up to one wavering Republican after church Sunday and were furious about impeachment, that could decide one vote.

But Washington's expectations about the country's mood have proved wrong all year long — and the polls that show the public does not want Mr. Clinton thrown out do not reflect much intensity. Except among blacks, it is hard to locate pockets of dedication to Mr. Clinton.

Another argument to be used — and perhaps by the president if he is heard from again before the House vote — is that the country and the Congress should not be distracted from real business by the debilitating experience of a Senate trial, with the undertone that the exercise is pointless because everyone knows how it will come out.

POLITICAL NOTES**Livingston Digs In: Impeachment Only**

HAMMOND, Louisiana — Representative Bob Livingston, the incoming speaker of the House, said over the weekend that he adamantly supported impeachment of President Bill Clinton and would fight to prevent a censure resolution from a vote in the full House.

After the House Judiciary Committee voted Saturday night to bar a censure resolution offered by Democrats, Mr. Livingston said for the first time that he considered it to be an attack on the rules, and therefore an attack on the speaker and on the majority party. (NYT)

One Republican Who Is Pro-Censure

WASHINGTON — Representative Peter King, Republican of New York, has emerged as the leading Republican voice in Congress for punishing President Bill Clinton through some means of impeachment.

He remains one of only five Republicans who have publicly said they would vote against impeachment, and is telling his party colleagues that they are driving themselves toward minority status by defying what he sees as the public's deep animosity toward impeachment.

"When we elect a Republican president," he said, "I just imagine some left-wing group or some liberal Democratic foundation sponsoring a lawsuit against the next president. I just envision payback time for the Democrats." (NYT)

Quote/Unquote

Barney Frank, Democrat of Massachusetts, a member of the House Judiciary Committee: "I am struck by those who have argued that censure is somehow an irrelevancy, a triviality, something of no weight. History doesn't say that. There are two members of this House right now who continue to play a role, who were reprimanded for lying: myself and outgoing Speaker Gingrich. We both were found to have lied not under oath, but in official proceedings, and were reprimanded.

Mr. Frank scored his most impressive election victory in his 1994 re-election as governor, when he stood alone in statehouse races among large-state Democratic incumbents against a Republican tide, defeating Jeb Bush in the closest governor's race in Florida history. Mr. Frank survived on a voting coalition of blacks, retirees and the moderate middle class throughout his career, even in the ascendancy of Republicans. (AP, Reuters)

Governor Chiles of Florida, 68, Dies

Compiled by Our Staff From Dispatches

TALLAHASSEE, Florida — Governor Lawton Chiles, 68, a folksy Southern Democrat dubbed "Walkin' Lawton" for crisscrossing the state on foot in his first U.S. Senate campaign, died Saturday.

Mr. Chiles, governor for the last eight years, was found next to his cycling machine in the governor's mansion gymnasium. He apparently died of a heart attack, his chief of staff said.

Mr. Chiles was scheduled to leave office next month, to be succeeded by Jeb Bush, a Republican.

Lieutenant Governor Buddy MacKay, who lost to Mr. Bush last month in the race for governor, was sworn in Sunday to complete Mr. Chiles' term.

Known for his folksy wit, Mr. Chiles was remembered by friends and foes alike as a politician who thought on his feet and could make complex issues understandable to the people.

In a statement issued by the White

House from Israel, President Bill Clinton said: "Lawton never forgot the thousands of ordinary citizens he met as he walked the highways and backroads of his state whom he served so well. And they will never forget him."

Scores of mourners left candles, flowers, notes and cards at the wrought iron gate in front of governor's residence. Flags were lowered to half-staff at all state office buildings in honor of Mr. Chiles.

His political career started in 1958 when he was elected to the state House of Representatives at the age of 28. He was elected to the U.S. Senate in 1970 and served three terms, defeating an incumbent Republican for the governor's seat in 1990.

Mr. Chiles was a moderate, plain-speaking Democrat at a time when his state was becoming increasingly Republican.

He was a champion of children's and family issues, both as a U.S. senator, when he fought for Medicaid reform, and as state governor, when he

sought increased funding for prenatal care and childhood immunizations.

The greatest triumph in a 40-year career was winning a multibillion-dollar lawsuit against the tobacco industry. In February 1995, the state filed suit against the tobacco industry to recover billions of dollars spent on treating patients suffering from smoke-related illnesses.

After a long legal struggle, the tobacco industry agreed in August 1997 to pay Florida \$11.3 billion over 25 years. Mr. Chiles called the victory "the best fight of my life."

Mr. Chiles scored his most impressive election victory in his 1994 re-election as governor, when he stood alone in statehouse races among large-state Democratic incumbents against a Republican tide, defeating Jeb Bush in the closest governor's race in Florida history.

Mr. Chiles survived on a voting coalition of blacks, retirees and the moderate middle class throughout his career, even in the ascendancy of Republicans. (WP)



HUNGER STRIKE — Maria Emilia Marchi of Chile and eight other convicted kidnappers are being force-fed in São Paulo after a month on a hunger strike.

Morris Udall, 76, Liberal Voice In His 30 Years in Congress

The Associated Press

WASHINGTON — Former Representative Morris K. Udall, 76, a 30-year congressman who championed environmental causes and wryly lamented that he was too funny to be president, died here Saturday after a long struggle with Parkinson's disease.

A Democrat and member of one of Arizona's best-known families, Mr. Udall remained one of the most consistent voices of liberalism in the House, whatever the political winds sweeping the country.

Mr. Udall represents everything a lawmaker should be," President Bill Clinton said in 1996, when he awarded Mr. Udall a Presidential Medal of Freedom. "His work is a gift to all Americans." Mr. Udall was unable to attend the Washington ceremony because of poor health.

During the 1970s, he failed in two tries to win election as speaker of the House, and he ran unsuccessfully in 1976 as a liberal alternative to Jimmy Carter in the Democratic presidential primaries.

In other areas, he was a leader in the passage of civil service reforms to promote merit pay and more flexibility for managers, and he sponsored campaign finance reform laws that Congress adopted in 1974.

He also sponsored legislation on presidential primaries and newspaper ownership, and dozens of bills to benefit Indians.

When his brother Stewart, then a congressman, was asked to serve as President John F. Kennedy's secretary of the interior in 1961, Morris Udall ran for the seat in a special election.

Mr. Udall, a fierce critic of Mr. Clinton's, also urged him to resign.

Mr. Clinton sought Friday to defuse the impeachment drive by expressing, in a hastily called Rose Garden appearance, his willingness to submit to "rebuttal and censure."

But he declined to say that he had purged himself, as many Republicans have insisted he must do, and he made his stance even clearer Sunday.

"I cannot admit to doing something that I am quite sure I did not do," Mr. Clinton said.

Lew Grade, 91, Television Tycoon

The Associated Press

LONDON — Lew Grade, 91, the cigar-chomping entertainment tycoon who founded Britain's first independent television company and whose projects included the TV series "The Saint" and the movie "On Golden Pond," died of heart failure Sunday in London.

Lord Grade, the son of immigrants from Ukraine, was raised in London's East End. He gave up an early career as a

dancer to start a small show-business agency office in 1934.

Twenty-one years later — and a lineup of contracts with stars who included Edith Piaf, Judy Garland, Mario Lanza and Bob Hope — Lord Grade founded Associated Television, the first commercially funded channel to face the formidable competition of the BBC.

Lord Grade, who was knighted in 1963 and given a life peerage in 1976, never stopped working. His last movie, a weepy called "Something to Believe In," was made this year.

Through ATV and later companies, Lord Grade brought to millions a string of TV shows that became household names. They included "Jesus of Nazareth," directed by Franco Zeffirelli in 1973. His current company, The Grade Company, co-produced "Starlight Express" on Broadway in 1985.

The John D. and Catherine T. MacArthur Foundation, known for its "genius" grants, has named Jonathan Fenton, the president of the New School, in New York, as its president. Mr. Fenton, who will succeed Adele Smith Simmons in September, will be paid about \$400,000 a year. (NYT)

Away From Politics

Plummeting robberies and murders helped lower the number of U.S. violent crimes in the first six months of this year, extending a downward trend that began in 1992, the FBI said. It said robberies nationwide decreased 14 percent, while murders declined 3 percent from January through June, compared with the same period in 1997. (Reuters)

The first two building blocks of the international space station were due to be released into orbit after two astronauts completed their construction work

(NYT)

on the outpost. The seven-story, 35-ton station was to be set loose from the cargo bay of space shuttle Endeavour, marking the first time the two parts would orbit the Earth on their own. (AP)

Enrique Martinez, 72, a ballet dancer and rehearsal director at American Ballet Theater who staged the classics for ballet troupes in North and South America and in Europe, died of hepatitis on Nov. 17 in New York.

(NYT)

Cindy Crawford's Choice

Cindy Crawford's Choice

Omega — my choice Cindy Crawford

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OMEGA

The sign of excellence

ASIA/PACIFIC

Thai Airport Had Shut Storm-Landing Guide

Compiled by Our Staff From Dispatches

SURAT THANI, Thailand — Equipment to allow aircraft to land safely in bad weather was removed from the airport here six months before a Thai Airways plane crashed Friday, killing 101 people, aviation sources said Sunday.

The plane, an Airbus A310-200, made two failed attempts to land in heavy rain at the airport in this southern Thai town and was attempting a third approach when it crashed into swampy land about three kilometers away and burst into flames. Forty-five people on board Flight TG361 survived.

Surat Thani airport's Instrument Landing System had been removed during construction work to extend its runway, according to an air-traffic control official at the airport.

A Thai Air Force pilot who flew into the airport Sunday said the removal of the system meant that pilots had to use a less accurate radio navigation system that relies on a visual sighting of the runway once the aircraft has descended to 500 feet (150 meters).

"The only system working at the airport is the radio system," he said, adding that in bad weather all pilots prefer the instrument landing system over the radio system.

Survivors of the crash said the pilot had complained of poor visibility.

The air force pilot said that the radio

system guided the aircraft in a diagonal rather than straight approach to the runway, and that a visual sighting of the landing strip was needed to adjust the flight path for a straight landing.

All pilots, both civil and military, had been informed that the Instrument Landing System was not operating at Surat Thani and that they needed to rely on the radio system and runway landing lights, the air force pilot said.

The Thai Airways pilot had told passengers that if he could not land on his third attempt he would return to Bangkok.

Officials at the airport and at Thai Airways have declined to provide details of the navigation system except to say that the radio navigation system at Surat Thani was functioning normally.

Some of the survivors insisted that the Thai Airways pilot, Flight Lieutenant Pinit Wechaisala, who was killed, should have headed for nearby Phuket or back to Bangkok instead of making a third attempt to land.

Andrew Sharrock, an Australian survivor who suffered gashes, bruises and a broken nose, also blamed pilot error for the crash.

"I was worried after the first landing attempt when the pilot pulled back hard and we went almost straight up," he said from his bed at a hospital in Surat Thani. "He did the same thing again on



Thai soldiers in mud to examine the wreckage of the Thai Airways plane that crashed near Surat Thani.

the second attempt. On the third attempt he just went too far, we were almost vertical."

The decision to attempt a third landing during a rainstorm appeared to contradict the air carrier's standing policy.

In June, when the airline announced it was phasing out the use of foreign pilots in favor of Thais, Chamlong Poom-

puang, deputy vice president of flight operations, said cockpit crews had been instructed to exercise great caution.

"Pilots have been told to divert to other airports if they have even the slightest hesitation over weather conditions at any airport, in Thailand or abroad," Mr. Chamlong said. "This means no landing in stormy weather. They've been told to

be passive and conservative; it's better to be safe than sorry."

The president of Thai Airways, Thammorn Wanglee, said families of the victims would receive \$100,000 in compensation, while the injured would have their medical bills paid for by Thai Airways and would receive 200,000 baht (\$5,555) in expenses. (Reuters, AP)

A Nervous ASEAN Will Approach China Over Expansion in Spratlys

By Michael Richardson

International Herald Tribune

HANOI — Southeast Asian countries, concerned that Beijing might be strengthening its claim to much of the South China Sea while they are preoccupied by financial crisis, will call for restraint and strict observance of international law in a high-level meeting with China this week, officials said Sunday.

Heads of government of ASEAN, the Association of South East Asian Nations, who will meet Monday before holding two days of talks, will raise the issue of China's occupation of Mischief Reef in the Spratly Islands with the Chinese vice president, Hu Jintao, on Wednesday, officials said.

The move follows the presentation of photographic evidence by the Philippines showing how China has expanded installations on the reef since 1995, when it first started building what it said were shelters for fishermen. The photo-

graphs were shown to the foreign ministers of the other eight ASEAN countries.

Officials at the presentation said Sunday the photographs showed clearly that a major expansion was under way, although it was not clear whether it was for civilian or military purposes. They said the facilities included platforms and extensive roofed buildings.

"What was a revelation to many of those who saw the photographs was the proximity of this reef to our main islands, and the size and number of the structures China has built," said the Philippine foreign minister, Domingo Siazon, who organized the slide presentation.

"There are now four sites on the reef with installations. If you connect them, you could have a fortress, like Gibraltar, or a five-star hotel for fishermen."

He said China could not continue making declarations of friendly intent toward Southeast Asia, while occupying the territory of other countries in the region.

"We really have to find a way of dealing with this issue," Mr. Siazon said. "The other ASEAN countries are also getting nervous because it's just too near. We don't want this to be a confrontation. What we are looking for is a cooperative, multiparty approach that will lead to a peaceful solution."

Other officials said that ASEAN wanted to register its concern to Beijing without upsetting cooperation in other areas, including measures to help the region recover from the financial contagion. China has been praised for resisting pressure to devalue its currency. A devaluation by China could trigger competitive devaluations in East Asia.

China, Taiwan and Vietnam claim sovereignty over the whole of the Spratlys — a largely uninhabited chain of islands, atolls and reefs scattered over a large area of the South China Sea. The Philippines, Malaysia and Brunei claim only those parts of the Spratlys closest to their territory.

"It's a potential flash point," said Surin Pitsuwan, the Thai foreign minister. "Therefore, it's of concern to all of us in ASEAN. We can't afford to have a security crisis on top of the economic crisis in the region."

Brunei, the Philippines, Malaysia and Vietnam are members of ASEAN, along with Burma, Laos, Indonesia, Singapore and Thailand.

The Spratlys are important because whoever controls them would be close to key sea lanes through the South China Sea. The area covered by the various Spratly claims also contains valuable fishing grounds and extensive reserves of oil and natural gas. All the claimants, except Brunei, maintain armed garrisons on the islands they occupy.

Mischief Reef has been the focus of repeated diplomatic clashes between Manila and Beijing since China occupied the reef four years ago.

Last month, the Philippine Navy seized 20 Chinese fishermen and their

boats near the reef, which is only 185 nautical miles west of the Philippines. It is many times that distance from Hainan Island, the most southerly undisputed Chinese territory in the South China Sea.

Mr. Siazon said that under the United Nations treaty governing the sea, Mischief Reef was within the exclusive economic zone of the Philippines.

"Of course, China claims sovereignty," he said. "But unless you accept its claim that nearly the whole of the South China Sea is Chinese internal waters, you cannot justify that position, and nobody's buying it."

In a report to the ASEAN leaders, the group's foreign and economic ministers said that despite "positive developments" in relations between Beijing and ASEAN, China had "undertaken a number of actions that were not in accordance with the recognized principles of international law," in particular the 1982 UN treaty on the Law of the Sea.

Seoul and U.S. At Odds Over Joint Battalion

By Don Kirk
International Herald Tribune

SEOUL — The mysterious death of a South Korean Army officer has touched off a debate here between U.S. and South Korean forces over who should command a joint battalion at the critical crossing between South and North Korea.

The United States and South Korea agreed Sunday to form a joint team to investigate the killing, while the top U.S. commander in South Korea, General John Tidelli Jr., rebuffed South Korean suggestions that Seoul completely take over the battalion of 150 troops.

General Tidelli, as commander-in-chief of the United Nations Command, which includes South Korean and U.S. troops, said he was "committed to the combined structure of the joint security battalion" at the truce village of Panmunjom.

The decisive nature of the statement reflected U.S. concern about a rift between U.S. and South Korean forces stemming from the apparent suicide of a South Korean Army lieutenant in February. The South Korean Army has reopened the investigation amid claims that a South Korean soldier may have killed the lieutenant to cover up illegal contacts with North Korean troops.

General Tidelli promised to cooperate with the investigation, but his headquarters issued a statement that sharply rejected South Korean efforts at disputing the initial verdict that Lieutenant Kim Hoon had killed himself.

The previous investigation by U.S. and South Korean forces "reviewed and thoroughly examined the evidence" and found that Lieutenant Kim "died of self-inflicted gunshot wound," the statement said.

The UN Command statement came amid a sharp debate here in the National Assembly and the media, regarding the lieutenant's death and its implications.

"The defense minister is suspected of a cover-up after a hasty and shoddy investigation," said Yonhap, the semi-official news agency.

But the UN Command insisted that it had received "no evidence that would cause it to question the results" of two earlier investigations into the killing.

General Tidelli's response defended the role of U.S. and South Korean forces on the most sensitive military front line in Asia. The joint battalion covers the southern side of a 50-hectare (124-acre) zone known as the Joint Security Area, set up under the armistice that ended the Korean War in July 1953. North Korean troops hold the northern side.

Filipinos Scent a Revival of Cronyism

New President's Attitudes Toward the Rich Raise Fears of Corruption.

By Mark Landler
New York Times Service

The Philippine Inquirer. Her admission left officials here flummoxed, since they have spent more than a decade fruitlessly prosecuting the Marcos family.

Advisors to Mr. Estrada denied that the president was engaged in Marcos-style cronyism. They said his critics were distorting his well-intentioned gestures to undermine his credibility.

"In the first place, crony capitalism only thrives in an autocratic or dictatorial government," said Edgardo Espiritu, the finance secretary and one of Mr. Estrada's closest advisers. "In a system that is democratic, everyone must compete in a field that is supposed to be level."

Mr. Espiritu acknowledged that Mr. Estrada had befriended some tycoons. But he added: "You may be a friend of the president, you may be a friend of politicians. But if you want to survive in the field, you have to be efficient, and you have to be ready to compete."

Mr. Estrada's ties with wealthy businessmen contrast with his careful cultivation of an image as friend of the common man. Even on screen, the 61-year-old former actor often played Robin Hood characters.

With his generous paunch, garbled diction and Elvis Presley-style coiffure, Mr. Estrada put off many affluent, educated voters. But those same qualities made him a hero to poor voters.

Even now, rank-and-file voters maintain that Mr. Estrada is looking out for them. The president's approval ratings are among the highest of any Filipino leader and have not been damaged by charges of cronyism.

"My dedication to the poor will be unwavering," Mr. Estrada said in an interview last month at the Asia-Pacific Economic Cooperation summit meeting in Malaysia. "But I would say that although we are pro-poor, we are not anti-rich. We are pro-business because I believe business leads to growth."

Indeed, political strategists here said Mr. Estrada's campaign was financed by some very rich business leaders, notably Mr. Tan and Mr. Cojuangco.

It is difficult to determine exactly how much they contributed because laws on disclosing campaign contributions are riddled with loopholes.

It is clear that Mr. Tan has easy access to the president. During the summit meeting in Malaysia, Mr. Tan hovered at the back of the room while Mr. Estrada gave interviews to the foreign news media.

"He owes Lucio Tan a lot of favors," said Alexander Magno, president of the Manila research group Foundation for Economic Freedom.

BRIEFLY

Mahathir Puts Off Naming of Deputy

KUALA LUMPUR — Prime Minister Mahathir bin Mohamad of Malaysia said Sunday that he had not decided to appointing a new deputy, though many senior leaders in his political party wanted him to do so soon.

Mr. Mahathir's United Malays National Organization ended a daylong meeting without discussing the naming of a deputy prime minister, who also traditionally serves as the party's deputy president.

The post has been vacant since the dismissal in September of Deputy Prime Minister Anwar Ibrahim, who was also ejected from the party. He is on trial on charges of corruption and sedition.

"Everyone has been rooting for him to succeed," said Sergio Osmeña, a member of the Philippine Senate who was jailed by Mr. Marcos. "But sometimes you neglect moral principles in paying back debts."

Adding to the fears of resurgent cronyism is the strange case of Imelda Marcos, the widow of Mr. Marcos. After denying for more than a decade that she and her husband had plundered the country, Mrs. Marcos unexpectedly announced last week that she intended to sue several Marcos cronies to recover more than \$12 billion in assets that she said her husband amassed during his presidency.

"We own practically everything," Mrs. Marcos said in an interview with

aimed at reviving their economies.

Mr. Hun Sen arrived in Hanoi on Sunday for a state visit. An official source said he had tentatively scheduled meetings for Monday with the leaders of six ASEAN countries.

Foreign and economic ministers ended talks Sunday on steps to stimulate their economies. But they provided little public information on a plan that was to be presented to ASEAN leaders.

(Reuters)

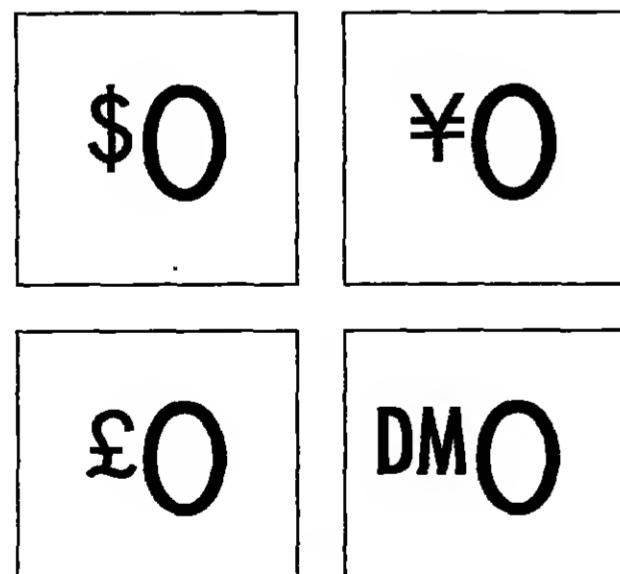
Indonesian General Defends New Militia

JAKARTA — The chief of the armed forces defended a plan to establish a militia, saying Sunday that it was needed to uphold law and order while Indonesia struggled with political change.

The commander, General Wiranto, said that about 40,000 people would be recruited starting in January. Militia members are to have the power of arrest and will be equipped with clubs, riot shields and handcuffs.

The general said weeks of protest had stretched the resources of the military and police forces. "The level of disturbances has reached a level that's beyond tolerance," he said. (AP)

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EUROBYTES

EUROPE

EU Leaders Aim to Firm Up Attack on Joblessness but See No 'Magic Wand'By Barry James
International Herald Tribune

VIENNA — Prime Minister Goran Persson of Sweden said he recognized the style of the final communiqué of the two-day summit meeting of the European Union. "It reads like excerpts from a Social Democratic Party congress in Sweden."

The imprint of the center-left, which now governs most of the EU, was all over the 50-page document, particularly in its call for a pact to reduce unemployment — now averaging nearly 10 percent in the Union — with clearly identifiable and measurable goals.

But there were no specifics, no extra money and nothing to explain how the pact would go beyond the present joint agreement on employment, reached in Luxembourg a year ago, by which gov-

ernments agreed to submit their jobs programs to peer review. And it will still be up to the countries, rather than the Union, to tackle the unemployment problem.

As Chancellor Gerhard Schroeder of Germany said, jobs could not be created through the push of a button in Brussels.

Chancellor Viktor Klima of Austria said the EU countries were not pre-

tending that they had found "a magic wand" to reduce unemployment. But he said they could achieve more through a carefully coordinated package of measures.

The communiqué urged the 15 members "to define policies and set themselves additional quantified targets and deadlines at national level wherever possible." The leaders said they hoped to have a comprehensive program ready

for their next regular summit meeting, in Cologne in June.

The unemployment problem hangs like a pall over a continent that is otherwise celebrating the prospect of a successful introduction of the EU single currency in two weeks. Resolving the unemployment problem is the top priority of the European Union, the leaders said.

They pledged special programs to create employment opportunities for the young and for women. This could include a French proposal to reduce value-added tax on some services, such as child care.

The leaders handed to Germany, which will take over the rotating presidency of the EU in January, the task of shepherding through an agreement on a budget for the first five years of the next century.

This is a huge venture, involving review of many of the EU's fundamental tenets, including its Common Agricultural Policy and its structural and cohesion funds, which are designed to help poorer members catch up with richer ones.

Germany pays \$13 billion more into the EU budget than it gets out, and it is demanding that its contribution be radically reduced.

But other countries are resisting an agreement that would see any reduction in their benefits, such as the budget rebate that former Prime Minister Margaret Thatcher obtained for Britain in 1984.

The rebate is worth \$3.3 billion this year, and the Dutch prime minister, Wim Kok, said it was "out of taboos." But Prime Minister Tony Blair of Britain said the rebate was not negotiable.

Until it sorts out its financing, the EU cannot move ahead with accepting new members. Former Chancellor Helmut Kohl of Germany, whom the leaders named honorary "citizen of Europe" for his efforts toward unification, warned against breaking promises to former Communist-ruled countries that they could eventually join the EU.

But the government chiefs said that in 1999 they would intensify negotiations with the six countries accepted for entry in a first stage of enlargement — Poland, Hungary, the Czech Republic, Estonia, Slovenia and Cyprus. They rejected proposals to bring other countries, such as Slovakia, Lithuania and Latvia, into the fast lane, despite economic and political reforms in those countries.

The leaders urged East European countries waiting to join the EU to crack down on racism and to educate people about the Holocaust. Mr. Persson said this was an "incredibly important" issue in countries such as Poland and Lithuania.

The leaders agreed that they would seek a budget agreement at a special summit meeting in Brussels in March. Although their starting positions were far apart, the leaders said they had found "a measure of common ground" toward equipping the EU "with more effective policies and an appropriate financial framework within which to develop them."

Mr. Schroeder said that "the stronger countries know they have to help the weaker ones, but the weaker ones know they cannot overburden the strong."

Foreign Minister Wolfgang Schüssel of Austria said he was not dismayed at a failure to reach an agreement in Vienna.

"Premature births are not the easiest," he said. "We are hoping for a happy event in March, the birth of a healthy baby."

The leaders said adoption of a harmonized European tax system was not on the agenda in Vienna, but they agreed to push ahead with coordinating taxation of interest on savings accounts and eliminating discriminatory loopholes in corporation tax.

Britain is fiercely opposed to a proposal to impose a withholding tax of 20 percent on savings held by nonresidents in EU countries. It says that such a move would devastate the Eurobond market in London.

The leaders issued a fuzzy "no" to a British-led attempt to retain duty-free shopping for travelers within the EU. In accordance with a 1991 decision, duty-free shops are to be closed by July 1, 1999.

The communiqué said finance ministers would seek "possible means for addressing those problems which may arise with regard to employment" because of the closing of stores.

Jacques Santer, the president of the European Commission said this could include "a limited extension of the transitional arrangements," meaning that there could be a stay of execution for a period of a few months in certain ports.

Mr. Santer said, however, that the leaders "have not questioned" the decision to end duty-free sales.

Several countries, including Denmark, Sweden, Italy, the Netherlands and Belgium, said they would not agree to reverse the 1991 decision. To do so would have required unanimity, so it appeared that the duty-free lobby, one of the most vocal in Brussels, had failed in its attempt to save a business that many regard as an anomaly in a single market.

Pressure Is on Milosevic**U.S. Moves to Loosen His Grip on Yugoslavia**By Steven Erlanger
New York Times Service

WASHINGTON — The United States, trying to plot an eventual end-game to its military involvement in the countries that once were part of Communist Yugoslavia, is moving to undermine President Slobodan Milosevic's tight control over Yugoslavia, senior U.S. officials say.

U.S. officials have toughened their tone against Mr. Milosevic in recent days and are openly supporting the democratic government of Montenegro, a part of Yugoslavia that Mr. Milosevic has hinted he might move against.

Mr. Milosevic's political grip has weakened because of his mishandling of the rebellion in the southern Serbian province of Kosovo, U.S. officials say. But they flatly deny reports of some covert or even overt plan to oust Mr. Milosevic, saying that his fate is up to the Serbian people and that he remains an important actor in Western efforts to keep the peace in Bosnia and Kosovo, they say.

The officials were speaking after a series of high-level meetings of the administration's national security team, with the special envoy Richard Holbrooke taking part by a secure video link.

While they argue that the essence of U.S. policy — support for the democratization of the region — has not changed, they concede that the U.S. tone about Mr. Milosevic has hardened.

"There is a generalized feeling now throughout the administration that Mr. Milosevic is the problem in the Balkans, and less vital for the solutions," a senior U.S. official said.

In Brussels on Tuesday, Secretary of State Madeleine Albright called on the NATO alliance to find "an appropriate way to support the democratic aspirations of the Serb people," who "have been silenced and shackled for too long."

Her spokesman, James Rubin, said last week: "Milosevic has been at the center of every crisis in the former Yugoslavia over the last decade. He is not simply part of the problem — Milosevic is the problem."

But while urging democracy in Yugoslavia, the officials have not called for Mr. Milosevic's removal and are wary of a further breakup of the country, which is now made up of the dominant Serbia and Montenegro.

"We're not supporting the secession of Montenegro, which the Montenegrins themselves don't advocate," an official said. "That could produce another unraveling in Europe, starting with the Bosnian Serb republic."

Despite Mr. Milosevic's weaker position now, he will host rallies of 200,000 people calling for his ouster two years ago, and today the democratic opposition is splintered badly, making its repression easier. The officials are concerned that Mr. Milosevic could be replaced by someone worse, like the fanatical Serbian nationalist Vojislav Seselj.

In September a slightly moderate Serbian nationalist, Biljana Plavšić, whom Washington supported, was defeated by a harder-line Serb, Nikola Poplašen, in the Bosnian Serb republic.

Washington has decided to do its best to protect Montenegro and to revive support for a democratic opposition in Serbia itself, even as Mr. Milosevic has moved to crush it.

Last week, for instance, the State Department welcomed a number of Serbian democrats and news media figures who have been attacked by Mr. Milosevic.



Mr. Milosevic warned NATO forces not to cross into Kosovo.

\$2 million for independent television, to promote democracy in the Federal Republic of Yugoslavia, which includes Kosovo. There, Washington hopes to help independent news organizations in preparation for hoped-for elections for a local parliament.

Also early in 1999, the administration will make public posters and publicity for a new "bounty" of \$5 million a head for the capture of accused war criminals in the region, including Kosovo — money pushed on the executive branch by Congress, in particular by Benjamin Gilman, Republican of New York, who is chairman of the House International Relations Committee.

Among the targets of such a bounty are the former Bosnian Serb political leader, Radovan Karadžić, and his mil-

itary commander, General Ratko Mladić. Both men have been indicted by an international war crimes tribunal for the former Yugoslavia but have not been arrested by NATO-led forces in Bosnia.

The two men are believed to be living in Serbia, officials said.

But the details for such a bounty program are still being worked out, especially with the Justice Department, officials say. The program will be run from the office of Robert Gelbard, who is in charge of carrying out the Dayton Accords that halted fighting in Bosnia, and the secretary of state will determine who qualifies for any reward.

The administration continues to press negotiations to find a political solution to the conflict in Kosovo, between the ruling Serbs and the ethnic Albanians who make up about 90 percent of the province's population.

But Mr. Holbrooke and the chief U.S. negotiator, Christopher Hill, have had difficulty getting a coherent political response from the badly divided ethnic Albanians. The essence of the problem is that the United States and the West want a solution — enhanced autonomy for Kosovo within Serbia — that is favored by neither the Serbs nor the population of Kosovo.

Increasingly, urged on by the Kosovo Liberation Army, the ethnic Albanian residents of the province want independence, while the Serbs are reluctant to grant any real autonomy beyond the status quo.

Mr. Milosevic removed from Kosovo in 1998.

BRIEFLY

Nestle Ads Attack Cake Saboteurs

ROME — The Swiss food giant Nestle accused animal rights activists of spoiling everyone's party by poisoning two traditional Italian Christmas cakes and sought to repair the damage by handing out slices free.

"They've ruined the party for everyone," Nestle said in a full-page advertisement in major Italian newspapers.

The extremist Animal Liberation Front last week sent two boxes of panettone to the Italian news agency ANSA in Bologna and Florence claiming to have poisoned packages of Nestle's Motta and Alenaga brands of panettone in several supermarkets.

The cakes were quickly removed from the shelves as a precaution, and magistrates said checks on the two sent to the agency revealed they contained rat poison.

The Animal Liberation Front took responsibility in a statement on an Internet site.

"What we are most concerned about at the moment is to reassure Italians that, apart from the two packages sent to ANSA in Florence and Bologna, no other packages have been tampered with," Nestle said in its advertisement. (Reuters)

Chechen Renegade Accused in Murders

MOSCOW — Officials in Russia's breakaway region of Chechnya have accused a renegade guerrilla

commander of leading the kidnapping that murdered four Western hostages last week.

They also called for a mobilization of armed forces to help protect the government.

Appearing on local television, monitored by the Itar-Tass news agency in the Chechen capital, Grozny, late Saturday, the Chechen deputy prime minister, Turpal Atayev, said Arbi Barayev had led the band that killed three Britons and a New Zealander.

Another Western hostage, Vincent Cochetel, a French UN refugee agency worker, was freed unharmed in a raid Saturday by Russian commandos in the neighboring region of Ingushetia. He returned to Geneva overnight. (Reuters)

Germany Sets Plan For Berlin Memorial

BONN — Germany's center-left government is developing a new plan for a memorial in Berlin to the victims of the Holocaust to replace the proposal backed by former Chancellor Helmut Kohl, a government spokesman said Sunday.

The spokesman confirmed that Chancellor Gerhard Schroeder's cultural affairs minister, Michael Naumann, was developing a proposal that would be submitted for discussion to Parliament.

He declined to give details, but the newsweekly *Der Spiegel* reported that Mr. Naumann hoped to win parliamentary approval by mid-1999 for a memorial that would make it possible to hold exhibitions on the Holocaust.

The original plan called for erecting 2,700 concrete pillars. (Reuters)

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INTERNATIONAL

Lawyers in First Smoking Settlement Win \$8.2 Billion in FeesBy Barry Meier
New York Times Service

NEW YORK — The lawyers who represented the first states to settle with the tobacco industry over health care costs have been awarded \$8.2 billion in fees, the richest legal payday in U.S. history.

The money, which will be divided among dozens of lawyers who represented Florida, Mississippi and Texas, is the first to result from a series of tobacco cases that culminated last month in a \$206 billion settlement between tobacco companies and 46 states and 5 U.S. territories. That broader settlement, which did not include Florida, Mississippi and Texas, appears likely to produce billions more for plaintiffs' lawyers.

The three states settled their suits for a total of \$34.4 billion to be paid by cigarette makers over 25 years. The legal fees awarded Friday were determined by an arbitration panel set up under an agreement between tobacco producers and plaintiffs' lawyers. The panel also will be used to award legal fees from the larger settlement last month.

The fees will be paid by cigarette makers. The payments will not affect the amounts received by the states.

Cigarette makers are likely to pass on the fees, like the rest of the recent \$206 billion settlement, to smokers.

In awarding \$8.2 billion, the arbitration panel gave the lawyers credit for taking the risks of being the first to test the legal strategy of suing the

tobacco industry to recover Medicaid costs related to smoking. And if it awarded far less than some of the lawyers sought, five trial lawyers hired by Texas, for example, wanted \$25 billion for negotiating that state's \$17.3 billion settlement.

But the size of the awards — those five Texas lawyers will get about \$3.3 billion — quickly provoked criticism from legal experts, who said the huge recovery by the states did not justify traditional contingency-style rewards.

"Twenty-five percent of \$1 million is one thing," said Geoffrey Hazard, a professor of law at the University of Pennsylvania who earlier opposed payment of large fees to the Texas lawyers.

"Twenty percent of \$1 billion is another thing."

In determining fees, the arbitrators started by awarding lawyers in the three states 10 percent of

their state's settlement. Then the panel multiplied those figures by 1.9 to 3.5 times depending on what it perceived to be the risks and work undertaken by the lawyers in each state.

Under those formulas, lawyers hired by Florida received about \$34.4 billion for reaching a \$13 billion settlement last year and lawyers for Mississippi got about \$1.4 billion for forging a \$4.1 billion settlement last year. The Mississippi lawyers got the highest percentage award, 33 percent, after the panel determined that they had taken the greatest risk by representing the first state to sue the tobacco industry, in 1994.

The situation of the three states was special because tobacco producers agreed not to argue against the lawyers. Industry lawyers said no such agreements exist with lawyers representing other states.

A Town's Fragile Peace Sets a Mideast ExampleBy Howard Schneider
Washington Post Service

NEVE SHALOM, Israel — Call it what you will — by the Hebrew name it carries on Israeli maps, or by the Arabic "Wahat Salam," or by its English equivalent, "Oasis of Peace." This half-Palestinian, half-Jewish community of 32 families is anything but the gentle-touch kind of place of which the first lady, Hillary Rodham Clinton, spoke during a tour Sunday.

Founded 20 years ago as an exercise in co-existence, its residents remain adamant about sharing power democratically, educating their children bilingually and bicultural, and providing what they call a "living demonstration" of cooperation between the two societies with historical claims to this part of the world.

"Peace begins at home, in our schools and in our hearts," Mrs. Clinton told

community members at the start of a day in which her husband tried to negotiate peace and she tried to highlight spots in the society where the idea has taken root.

But after the Ramadan lanterns and Hanukkah candles and Christmas lights are extinguished, the differences still roll.

During the Gulf War, as Scud missiles arced from Iraq into Jerusalem and Tel Aviv, shouting matches erupted in Neve Shalom's cramped communal bomb shelter, with Jewish residents shocked that Palestinians would not condemn President Saddam Hussein of Iraq, and Palestinians shocked that their Jewish neighbors so fervently supported the U.S.-led Gulf coalition.

On the Israeli Independence Day, there have been uncomfortable moments as Jews unfurled their patriotism and their blue Star of David flags, and Palestinians wondered how they should respond on a day known as their culture as "the disaster."

In short, nothing about this boathouse experiment in peace-building has led the two sides to forget themselves or their cultures or their emotions. Nothing has led to the conclusion that peace is easy work, a fact most knew when they accepted the challenge of living here.

"I don't say we don't have conflict. It is not all coming in the morning and giving hugs," said Abdessalam Najar, a Palestinian Muslim who was among the original residents and is now the village's public relations director. "When it comes to the national conflict, the dynamics still occur."

What the town has done is prove that the two sides can negotiate the rough spots and still run a successful school, create a successful community and build a life together.

There are no illusions here about melting pots or assimilation or obliterating the centuries of conflict that have raged along the Ayalon Valley, a strategic path to Jerusalem that runs just below Neve Shalom's idyllic fury of bougainvillea and roses.

When the tensions mount, Mr. Najar said, the two halves of this village's mosaic have become practiced at going their separate ways, finding space where each can vent its emotions. After that, he says, they can meet in an emotionally neutral way and listen to what the other has to say.

If Mrs. Clinton's visit here heightened the hopes that led Father Bruno Hussar, a Dominican priest, to establish this place in the late 1970s, interviews with village officials and residents showed just how slender a foothold Neve Shalom has in Israeli society.

Funded in part by international grants, given land by a nearby Trappist monastery, the town has never had luck in its requests to the government for more acreage to expand.

On the other hand, plans are being laid for projects on either side of Neve Shalom that could obliterate it in a sea of new suburban housing.

Such developments, locals say, would probably make it impossible to maintain centerpiece projects, like an elementary school where Palestinian and Jewish co-principals share authority, and children have lessons every week in Hebrew, Islamic and Christian culture.

The Peace School, site of encounters sessions for high school students and Israeli and Palestinian adults, might survive, but certainly the spirit of Neve Shalom would be likely to fade, along with its balanced demographic mix.

Continued from Page 1

markets, Mr. Schroeder seems to have the elements in hand to move more assertively in Europe than he has as a domestic policymaker.

The difference between Mr. Schroeder's misfiring start in Bonn and his possibilities in the EU is the difference between openly stated, frontal logic in dealing with the problems in Brussels and the lack of the same kind of circumscribed coherence in Bonn.

At home, since he came to power in October, the chancellor has confronted a basic and still unresolved contradiction. His campaign rhetoric of the New Middle, packed with notions of a freer German economy, less hobbled by costs and regulations, has collided with the tax and policy calculations of his Social Democratic Party apparatus. The result has been vagueness and criticism that the new government has no innovative economic program, mirrored in polls over the weekend that showed almost 70 percent of Germans thought there would be no improvement in the job situation next year.

In relation to Europe, picking on the line enunciated by Helmut Kohl in 1997, Mr. Schroeder has said plainly that Ger-



Hillary Clinton being welcomed Sunday by Israeli and Palestinian children in Neve Shalom, Israel.

Clinton Calls on Both Sides to Respect Wye Accord

Copied by Our Staff From Dispatches

JERUSALEM — President Bill Clinton tried Sunday to repair the Wye River peace accords with appeals to Israel and the Palestinians to implement the land-for-security decisions they made two months ago.

"The Palestinian leaders must work harder to keep the agreement and avoid the impression that unilateral actions can replace agreed-upon negotiations," Mr. Clinton said to a group of Israeli students, referring to pledges by the Palestinian leader, Yasser Arafat, to declare an independent state if a

permanent peace deal is not reached by the end of next May.

Earlier, Prime Minister Benjamin Netanyahu said the Palestinians must "officially and unequivocally" renounce the statehood plan.

Asked about Mr. Clinton's comments, Saeb Erekat, a senior Palestinian negotiator, said it was Israel that was violating the agreement. "President Clinton knows very well that the Palestinian street respects the obligations of the agreements and wants their accurate and honest implementation," Mr. Erekat said.

(Reuters, AP)

ISRAEL: As Peacemaker, Clinton Stakes Out Moral High Ground

Continued from Page 1

optimistically American speech. He made it clear he empathized with "the history of heartbreak" that defines Israeli-Palestinian relations, but he preached accommodation to immutable realities.

"One thing and only one thing is predestined," Mr. Clinton said. "You are bound to be neighbors. The question is not whether you will live side by side, but how."

On Israeli television, which carried the event live, when a commentator managed to speak above the din of cheers, he said the scene "looked and sounded like a Democratic National Convention."

Before Mr. Clinton's arrival, municipal workers hastened to scrape hostile posters from the city's walls, doctored photographs picturing the American president wearing an Arab headscarf, with the Hebrew caption, "I am a Palestinian."

Members of Mr. Netanyahu's cabinet had to be persuaded to refrain from expressing too loudly their displeasure about Mr. Clinton's visit, which is organized around a trip to Gaza on Monday to oversee a meeting of the Palestinian National Council. The ministers, opponents of the peace effort, said they believed his trip would come across as an endorsement of Palestinian sovereignty.

They also clearly feared that the visit could repair the breakdown in relations.

But many Israelis, speaking privately, on the radio, or in newspapers, expressed embarrassment at the government's tepid if not hostile reception of a particularly popular American president who is making his fourth trip here at a moment many perceive to be fateful.

"It is important for you to know that not all of us are deceitful," Mr. Shalem, a novelist, wrote in a newspaper column. "Not all of us are grave worshippers, not all of us are paranoid, not all of us are existential stones, not all of us are uncoachable, thankless beggars."

The newspaper Ma'ariv dedicated its front page to a column by its editor-in-

chief, Yaakov Erez, welcoming the "leader of the free world."

He wrote: "We have all hope, save for the radical fringes, that Clinton will be able to bridge the abyss at our feet, exhibit his magic touch in his talks with Arafat and Netanyahu, and restore the hope of peace to our chests."

It is a tricky role for the American president, one setting what could be a dangerous precedent in a rocky process.

Clearly, the Americans have moved from mediators to guarantors of the peace effort. But it would soon become untenable if the Israelis and the Palestinians needed not only American assistance but direct presidential intervention to clear the bumps in the road.

Mr. Clinton and Mr. Netanyahu were at odds Sunday. After a meeting that lasted all morning, in which they reportedly spent only 10 minutes alone, they shook hands literally, reaching across their bod-

ies as both faced forward, looking grim.

They then presented different realities. In Mr. Netanyahu's report card on the implementation of the peace accord, the Israelis passed with flying colors and the Palestinians were completely delinquent. He blamed Palestinian leaders for "openly inciting for violence and riots."

He also said his own domestic political problems — the fact that his government, hanging on by a thread, might benefit by lurching rightward — played no role in the Israeli freezing of its implementation of the accords.

In contrast, Mr. Clinton praised and condemned both sides. And he repeatedly referred to Mr. Netanyahu's "political constraints," as well as to those of Yasser Arafat, the Palestinian leader.

Finally, Mr. Clinton underscored the cash bounty waiting for the Israelis — \$1.2 billion in economic assistance, if Congress approves the request.

CLINTON: I Have No Intention of Resigning, He Says in Israel

Continued from Page 1

those inquiries, the president responded calmly: "I have no intention of resigning. It's never crossed my mind."

Representative Henry Hyde, Republican of Illinois, the chairman of the House Judiciary Committee, said of CBS a television news program that Mr. Clinton should resign.

White House aides, who are engaged in an intense outreach campaign of the sort Mr. Clinton said he personally would not wage, are increasingly glum about their prospects of avoiding an impeachment vote. The House minority whip, Tom Delay, Republican of Texas, one of Mr. Clinton's harshest critics, put the odds at no better than 50-50 in an interview with an NBC news program.

Censure Is the Right Thing

Mr. Clinton said that three-quarters of the American people believe that cer-

tain rather than impeachment is "the right thing to do," The Associated Press reported from Jerusalem. He urged lawmakers to "vote their conscience on the Constitution and the law."

Rebuffing Republican demands, Mr. Clinton also said he would never admit to perjury.

With time running out, White House aides were desperately searching for a strategy to save Mr. Clinton from becoming only the second president in history to be impeached. Joe Lockhart, the White House spokesman, said he was unaware of any plans for a presidential address before the impeachment vote, but he did not rule it out.

The vote poses a big test for the incoming House speaker, Bob Livingston, Republican of Louisiana, who must decide whether to step in with a compromise or stand aside as Republicans act in defiance of the wishes of most Americans.

Brazil Remembers

SAO PAULO — Brazil on Sunday marked the 30th anniversary of one of the darkest days of its military rule, one that unleashed more than a decade of political killing and torture and set the stage for more violent repression in neighboring Chile and Argentina.

On Dec. 14, 1968, Brazilians woke to find their civil liberties suspended, their Congress shut down and a new group of hard-line generals in charge. (Reuters)

Mr. Livingston and the outgoing speaker, Newt Gingrich of Georgia, endorsed Mr. Hyde's view that no vote on impeachment should be allowed.

Mr. Clinton said Americans should ask Republicans "whether they're opposed to it because they think that it might pass."

Asserting that he was not guilty of perjury, Mr. Clinton cited supportive testimony from four former federal prosecutors — two Democrats and two Republicans — who agreed that Mr. Clinton was not guilty of perjury.

Arriving at his hotel suite early Sunday after his flight from Washington, Mr. Clinton called a couple of his legislators for a report on the Judiciary Committee's work and "where we go from here," Mr. Lockhart said.

In Washington, Mr. Delay said the impeachment process had destroyed Mr. Clinton's credibility in the conduct of foreign policy.

Greens in Germany Revise Party Policy

LEIPZIG — The Greens, holding their first party congress since entering government, adopted changes over the weekend to bring tamer ecological members in line with the leadership.

Top Greens hailed the creation of a formal forum for coordinating party policy as a way to end disputes that have dogged the party's 18-year history.

"This is about being capable of organizing ourselves," said Foreign Minister Joschka Fischer, the party's leading politician.

The 750 delegates lifted a ban on Greens holding both public office and party positions, but resisted a move to create a formal party chairmanship.

In a victory for the party's feminist wing, two women were installed for the first time as national party co-spoecemen.

Delegates also voted to create a 30-member party council to preempt future party policy conflicts.

IRAN: 3d Writer Found Dead

Continued from Page 1

suspicious circumstances.

The opposition figures, Dariush Forouhar and his wife, Parvaneh, had both been stabbed more than a dozen times when their bodies were discovered Nov. 21.

The attacks have outraged many people in Iran, and they have prompted calls from Western literary societies, human rights groups and the State Department for swift government action.

Mr. Khatami also has condemned the killings in strong terms, and he vowed to seek the arrest of those responsible.

But so far the main effect of the murders has been to expose Mr. Khatami's relative impotence.

Within Iran's fractious power structure, Mr. Khatami commands little authority over security and intelligence forces, which are more closely aligned with the country's supreme leader, Ayatollah Ali Khamenei.

As to who may be responsible for the killings, various theories have been offered from either end of Iran's political spectrum — perhaps a conservative cell, a foreign government or the Iranian intelligence service.

But increasingly, Mr. Khatami's admirers have begun to suggest that undermining the president may be what the killings are intended to do.

The attacks may be merely the latest phase, they say, in the bitter struggle over the country's course since Mr. Khatami's landslide victory in the 1997 presidential elections on a campaign that promised a move toward political and cultural openness.

"We are sure that they want to close the society as before," said Gholam-Abbas Tavassoli, a leading member of the outlawed but officially tolerated Freedom Movement in an interview Sunday.

Continued from Page 1

markets, Mr. Schroeder seems to have the elements in hand to move more assertively in Europe than he has as a domestic policymaker.

The difference between Mr. Schroeder's misfiring start in Bonn and his possibilities in the EU is the difference between openly stated, frontal logic in dealing with the problems in Brussels and the lack of the same kind of circumscribed coherence in Bonn.

At home, since he came to power in October, the chancellor has confronted a basic and still unresolved contradiction. His campaign rhetoric of the New Middle, packed with notions of a freer German

BOOKS

FANNY TROLLOPE

The Life and Adventures of a Clever Woman

By Patricia Nevile-Sington. 416 pages.

\$29.95. Viking.

Reviewed by Audrey Foote

"In Cincinnati," Fanny Trollope conceded, "the pigs are constantly seen doing Herculean service" sniffing up the garbage strewn in the streets. But, she added, "If I determined upon a walk up Main-street, the chances were five hundred to one against my reaching the shady side without brushing by a stout fresh dropping from the kennel."

This is one of the lesser complaints in her first book, "Domestic Manners of the Americans," published in London in 1832. "It succeeded in angering Americans far more than any book written by a foreign observer before or since," says the Oxford Companion to American History — presumably even more than Charles Dickens's scathing "American Notes," a decade later, which had even more fun with the portly sows and gemanian hogs trotting up Broadway.

Though this British Tory did commend a few persons, some architecture and the natural beauty of the country, she was shocked by its manners, morals, customs and institutions: "one hand holding the cap of liberty, and with the other flogging their slaves," the mistreatment of Indians, religious hysteria and sharp business practices. And she was dismayed by the ignorance and insipidity of most women, and the rough talk and table manners of the ubiquitous generals, colonels and majors: "the voracious rapacity with which the viands were seized and devoured... the loathesome spitting... the frightful manner of feeding with their knives till the whole blade seemed to enter their mouths, and

the still more frightful manner of cleaning the teeth after with a pocket knife."

Despite Fanny Trollope's fame — or notoriety — in her lifetime, her 42 published books and the three biographies of her even before this excellent and probably definitive one, she is usually identified as the mother of Anthony, an equally prolific but more artful novelist. The youngest and healthiest of Fanny's six children, Anthony, was no doubt neglected, and later tended to denigrate her both as a mother and a writer. However — gallant compensation — he supposedly used her as the model for one of his most attractive heroines, Lady Glencora Palliser:

Fanny's five other children and the many famous friends (Mme. Recamier, Lafayette, Metternich) whom she acquired by sheer wit and charm seem to have considered her cheerful, resilient, a patient wife and devoted mother. As a country vicar's lively daughter, and by 1808 the fiancée of Thomas Anthony Trollope, a London barrister of good family and great expectations, Fanny had reason to anticipate at least the comfortable life of a Jane Austen heroine.

At first all went well: a fine house, social life, children. But as the family and expenses increased, their income dwindled with Thomas's worsening health and irascible temper. The crucial blow (a quite common event in English fiction and real life) was their loss in 1819 of a large inheritance to an uncle's unexpected new heir.

It was at the invitation of her friend Frances Wright, a rich, radical Scot who had published her own book on America in 1821 and had started a colony to free slaves there, that Fanny at age 52 decided to try her luck in the United States. She took along two little daughters, an artist protégé and a son she hoped to place in business. During her three years

of travels, her husband spent what money he could spare, made several visits and some unwise decisions. On the basis of several minor successes, Fanny built in Cincinnati an exotic and grandiose miniature-haus, for which Thomas shipped from England the shoddiest merchandise, to her dismay. The structure was known for decades after as Trollope's Folly; it ruined them.

But America was indeed their salvation, though not as they expected. Fanny decided the only way to make money from America would be to write about it. Back in London, that wit and sharp eye established Fanny's career. After the success of her first book, she went on to process her own memories, experience, imagination and voyages into 41 more books clever enough to support her family but not to endure.

She wrote while shuttling between England and Europe to contact important, useful friends, to seek out cheaper lodgings or to locate a better doctor or a milder climate. When home, she nursed her ill husband till his death in 1835, and then each of four children who died slowly of consumption.

Her devotion, energy and extraordinary resilience were much remarked. So it is a pleasure to learn that, by another fluke inheritance, this gallant woman spent her final decade (she died at age 84) with her family in the Villino Trollope, a splendid house in Florence, with terraces, gardens and a great library of rare books. On hearing of this good fortune, the English novelist Mary Russell Mitford, who had known Fanny from childhood, wrote: "You have well earned the happiness domestic & social which you enjoy, dear friend." Amen!

Audrey Foote, a writer and lecturer in Washington on European drama, wrote this for The Washington Post.

BRIDGE

By Alan Truscott

THREE separate battles were in progress within one event at the American Contract Bridge League's Fall Nationals. Most of the top players in North America and a handful from other parts of the world were fighting for the prestigious Reisinger Board-a-Match Teams title, with two sub-titles.

Five of the players are contending for the Player of the Year title, awarded for overall performance at national championships. They are Paul Soloway of Mill Creek, Washington; Geir Helgemo of Norway; Lew Stansby of Castro Valley, California;

Richard Schwartz of Queens, and Geoff Hampson of Fenton, Michigan.

In his effort to become Player of the Year, Stansby will have help from his teammate, Zia Mahmood of Massachusetts.

In the Blue Ribbon Pair Championship final, Zia made an inspired decision on the diagrammed deal. He was on the way to victory with Howard Weinstein, and held the East cards.

Zia opened one spade, and his partner made a negative double of the weak jump overcall of three clubs. The normal bid at this point was three diamonds, a contract that would succeed. But Zia made an unexpected

third penalty pass, betting that he could defeat three clubs by two tricks in spite of his puny holding in clubs. A one-trick defeat would not be enough, for 100 points to East-West would lose match points against the 110 scores for making three diamonds.

West led the spade ace and shifted to a trump, which East ducked. A spade was led from dummy, and East played the king, unsure about the location of the queen. Then he cashed the club ace, removing dummy's remaining trump, and played the spade jack followed by another spade.

West's ruff was the fifth trick for the defense; and the heart ace was still to come, for down two. Zia had won his

better. He and Weinstein collected 34 match points out of a possible 38.

NORTHEAST
♦ A Q
V K Q 10 4 2
♦ 10 9 4 3
♦ 10 9 8

WEST (D) EAST
A Q
V 10 6 5
K 7 6 2
♦ 4 5 3
♦ 4 3 2

SOUTH
A 10 8 4 3
V 8 7
A 4
A K Q J 8 4 2

Bidding:
West: Pass
North: Pass
East: 4
South: 3 4
Pass: Pass
Pass: Pass
Pass: Pass

Neither side was vulnerable. The

Brooks Atkinson Theater, will go for a single crisp C-note. Other tickets will go for \$50, and 100 seats for each performance will cost \$20.

The hefty price stems from the show's length, Azenberg said: At four hours, "Iceman" will require overtime for back-

LANGUAGE

The Power of Words and the Gift of Gab

By William Safire

WASHINGTON — "One original thought," said Diogenes in the fourth century B.C., "is worth a thousand mindless quotations."

You can find that selfless-serving blast at quotations in the Random House Webster's "Quotations," by Leonard Roy Frank (\$45), but it's more than a thousand pages with index and claims to contain "more new quotes than any other book."

The neologism *quotational* is a nice coinage, instantly conveying the meaning of "dictionary of quotations." Frank's collection is rich in fresh quotations, much more than a rehash of Bartlett's, grandfather of quotations.

This valuable aid to speakers and writers cites sources and dates of the original comment or at least a recent quoting, so necessary to scholars. The selection from Diogenes, for example, is attributed to a column that appeared in this space on April 7, 1996.

Unfortunately, I forgot where I found it. It could be that one day long ago, in my search for an honest man in Washington, I shone a light in the face of an old guy who said, "Our original thought, etc." (No, I really looked it up somewhere.)

This is by way of introducing the annual column about gifts of gab. As the Christmas holidays approach, language mavens everywhere look for guidance on what new books to give to literate friends. A gift of a word book conveys more than words can say. Here are two more:

A Dictionary of Modern American Usage, by Bryan Garner, is an excellent work to complement your hairsplitting heir's copies of Robert Burchfield's third edition of Fowler's Modern English Usage and the loosey-goosey but most informative Merriam-Webster's Dictionary of English Usage.

In some entries, Garner's work extends the reach of the prescriptive Fowler and the descriptive Merriam-Webster. In *about*, for example, the American usage book deals with (and

frowns on my outdated use of) *about the head*, where blows are sometimes dealt. He's right; rather than sound like a bully out of the '60s, I would now use the *Southerner's upside the head*, which Garner should include in a future edition.

I think that the difference between *enormity*, in the sense of "outrageousness" and *enormousness*, "hugeness," has broken down and that *enormity* has taken over both meanings, though it is used more often for size than depravity. E. Ward Gilman of Merriam-Webster agrees, but Garner, up there on the ramparts with Burchfield-Fowler, gutsily holds that "the historic differentiation between these words should not be muddled." As long as you put some thought into your decision, you pays yer money and you uses yer usage.

(This book sells for \$30 until Jan. 1, 1999, but the publisher — Oxford — warns that it will be \$35 thereafter. I am planning a similar marketing campaign for a future word book of my own, penalizing buyers an additional \$5 for every month they fail to make their purchase. Subtle literary sales pitch: "This short-lived book is getting rarer and more valuable every day — grab it while it's cheap." Does that really fool book buyers?)

The Big Book of Beastly Mispronunciations," by Charles Harrington Elster, is not coming out until next month (Houghton Mifflin, \$14, and months after that, still \$14, until — like all the others — it's remastered at Strand Book Store for half price).

When this was put to Elster by the cameraman on a TV set, he replied: "Say THUH before words beginning with a consonant: You are THUH camera operator for THUH TV show. Say THEE before words beginning with a vowel sound: THEE operator wins THUE around-the-world tour."

And that's THUH gift list for THEE earned giver of a language book.

"Words — so innocent and powerless as they are, as standing in a dictionary," wrote Nathaniel Hawthorne, but "how potent for good and evil they become, in the hands of one who knows how to combine them!"

New York Times Service form of what has come to be known widely as "oral sex." "Anyone who says fuu-LAH-tee-oh is speaking another language (and a dead one, too)," the author opines, "treating the word as a foreignism when it is not. That strikes me as ostentatious."

And Elvis is found at last. Is his name PREE-lee or PRESS-lee? Northerners tend to prefer the Z, as did early TV impresarios Ed Sullivan and Steve Allen, but the author spoke to the lady who runs the Elvis Presley Birthplace in Tupelo (TOO-puh-loh), Mississippi, as well as the people in Graceland, the opulent Elvis estate in Memphis, Tennessee, and all agreed on PRESS.

He then viewed Elvis TV documentaries and heard it from the name-owner's mouth: "In a comedy skit with Milton Berle, Berle mistakes Elvis for an importunate fan, and the King has to set him straight. 'I'm Elvis PRESLEE,' he says."

How come there is an ee sound in the middle of *prestigious*, when there is none in *litigious*, *religious* and *prodigious*? Because *prestigious* has an accompanying oo, *litigious*, *religious*, *prodigious* has an accompanying oo, *pre-STEEZ*, and there ain't no oooun *litige*, *relige* or *prodige*.

Now let's get down to basics: how to pronounce *the*. We all know that you say THEE in emphasis: "Are you THEE Elwood P. Dowd?" But how else do you differentiate between THEE, preferred by Quakers and some announcers at all times, and the less assertive THUU, finished with a shy schwa?

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New York Times Service

Dual Revival in New York: 'The Iceman Cometh' and the \$100 Seat

New York Times Service
NEW YORK — The \$100 ticket is back.

Emanuel Azenberg, producer of "The Iceman Cometh," starring Kevin Spacey, says orchestra seats for the ballyhooed revival,

which opens in April at the

stage staff. The length has also limited the number of weekly performances to seven, as opposed to the Broadway standard of eight, cutting revenue.

The price also reflects the modern economics of Broadway. The show, which was imported from London, will

cost \$1.5 million to mount, and about \$225,000 a week to run; the producers need to make a profit of at least \$100,000 to break even over the 12-week run. "This is expensive, and it has a short life," Azenberg said. "I can't be accused of trying to make a profit."

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The Japanese cellular phone market now exceeds 35 million subscribers. To accommodate further expansion, all cellular phone and PHS numbers in Japan will change from 10 to 11 digits at

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<http://www.nttdocomo.com>

HEALTH/SCIENCE

TOMORROW
STAFF

Toning the Abs: No Best Way

By Liz Neoporent
New York Times Service

NEW YORK — Exercisers are often confused about the best way to strengthen and tone the midriff. And for good reason: Experts cannot seem to agree, either. Even the research is not definitive.

For example, the biomechanics laboratory at Centinela Hospital Medical Center in Inglewood, California, completed a study this year comparing the effectiveness and safety of eight popular abdominal movements. To measure the amount of electrical activity — and thus the force of muscular contraction — researchers placed electrodes on each subject's three largest abdominal muscle groups — the rectus abdominis, internal obliques and external obliques — and on one hip flexor muscle. Of all the exercises, the crunch, or quarter sit-up, was shown to activate the greatest number of abdominal muscle fibers and the least number of hip flexor muscle fibers.

"This means that the crunch surpasses other exercises in terms of efficiency and low-back safety," said Marilyn Pink, the lab's director. She explained that when the hip flexors are over-exerted, they tug on the muscles supporting the lower spine, which, in turn, can contribute to back pain.

"You don't have to do anything fancy in an attempt to isolate the abdominal muscles," Dr. Pink said. "Simple crunches with your feet unsupported work best."

Another study reported last year in the journal Medicine and Science in Sports and Exercise, however, used similar procedures to reach the opposite conclusion. Researchers could pinpoint no single exercise that optimally trained all of the abdominal muscles with minimal stress to the lower back. The authors advocate doing a variety of exercises to sufficiently challenge all of the abdominals.

Len Kravitz, director of exercise science at the University of Mississippi at Oxford, agreed. "The whole theory of training muscles abdominals or otherwise, is to constantly stimulate them with a different type of shock," he said. "If a muscle works in one way only, not all its fibers will be stimulated."

Dr. Kravitz recommends including crunches that involve twisting or rotation of the trunk, because they isolate the internal and external obliques,



Steve Goldstein/HT

muscles that attach to the connective tissue of the lower back. "Strengthening these muscles helps bolster and support the spine," he said.

But Dr. Pink argued that the crunch variations serve only to place the lower back in greater jeopardy. "We found that twisting crunches increase intervertebral disk pressure and hip flexor activity," she said, explaining that these exercises involve less of the abdominal muscles and could be unsafe for the lower back.

Then there is Richard Bachrach, medical director for the Center for Sports and Osteopathic Medicine in New York, who advises forgoing crunch-type movements altogether because they only activate the upper fibers of the rectus abdominis, the wide, flat sheet of muscle, while the rest of the muscle goes unused.

These are plenty strong to begin with," he said. He suggests doing reverse crunches, which involve keeping the upper body still while lifting the

legs and buttocks a small way upward to target the often weak and underused portion of the rectus abdominis.

Dr. Bachrach also advocates working a fourth muscle, the transversus abdominis, which lies deep beneath the other abdominals. Although it is not involved in moving the spine, it contracts to stabilize and support it, a function he and others believe is important for spinal health and good posture. Forceful breathing while tightening the abdominals, or exercises that call upon the abdominals to contract without any spinal movement, train the transversus as well as the other abs.

One thing experts do agree on: No amount of abdominal training will "spot reduce" the midsection, despite testimony by infomercials hawking various devices. A seminal, 1984 study performed at the University of Kansas evaluated the effects of 27 days' worth of regular abdominal exercises and concluded that they do not selectively reduce abdominal fat.

The Demons of the ICU

Many Intensive-Care Patients Have Psychotic Reactions

By Sandeep Jauhar, M.D.

NEW YORK — One night recently, when I was on call in the cardiac care unit at New York Presbyterian Hospital, I visited a patient who had been in the unit for nine days, recovering from a procedure to remove a clot in one of her coronary arteries.

She was doing well, breathing on her own, with a normal blood pressure and regular heartbeat. I thought she was asleep. But after a moment she opened her eyes. "Welcome, doctor," she said. "Will you have a drink?" She pointed in the dark toward her fully stocked bar and asked me to help myself. "You know where everything is," she said. "And fix me some as well."

I asked her where she was. "My apartment," she replied. She knew nothing about being sick or in the hospital.

I walked up to her IV pole and squeezed the bag of saline that hung next to her bed. She thanked me and went off to sleep.

Although this 69-year-old woman was deeply confused, she was actually acting quite normally. She was experiencing a disturbance called ICU psychosis, observed with increasing frequency as intensive care units proliferate.

In the 1960s there were only about a hundred "special care" units in the United States. Now most hospitals with more than 100 beds have some form of intensive care unit. About a third of the patients who spend more than five days there will experience some form of psychotic reaction.

EVEN if they have never had any psychiatric problems before, these patients may experience anxiety, become paranoid, or hear voices and see things that are not there. Sometimes, like my patient, they become severely disoriented in time and place. They may get out of bed and grapple with nurses. Occasionally they become very agitated; even violent.

That same night I responded to a 4 A.M. page and found myself in the room of a businessman from New Jersey, transferred to the unit after a heart attack. He was sitting at the side of his bed, his sheets soaked with bright-red blood.

He had pulled out his catheter and was threatening his nurses with jail for keeping him captive. Only hours earlier this man had spoken to me quite normally of his grandchildren, his country club and so on. Now he was a raving lunatic.

I ordered him sedated, and though I was confident that he would soon be his normal self again, I stopped outside his room to ponder what the attending physician had told me that morning. Get this patient out of the unit as soon as possible, he had warned. "People like him

Something about the environment makes some patients, already experiencing high levels of stress, debility and pain, react adversely.

don't do well here."

No one knows exactly what causes this reaction, but if it is generally accepted that something about the environment of the intensive care unit makes some patients, already experiencing high levels of stress, debility and pain, lose their minds.

Perhaps it is sensory deprivation — being caged in a windowless room, away from family and familiar things. Or perhaps the sensory overload — being tethered noisy machines that are on all day and night. It could even be something as banal as pain, which studies show is often inadequately controlled in the ICU.

Perhaps it is sleep deprivation and disruption of the normal day-night rhythm. Or perhaps it is simply the loss of control that patients must feel as their bodies are probed and medicated, largely without their consent, by strangers who usually don't have time for explanations or empathy.

Whatever the cause, the phenomenon is so widespread that experts have explicitly defined it as an "acute brain syndrome involving impaired intellectual functioning which occurs in patients who are being treated within a critical care unit."

It is an example of the more general phenomenon of delirium. Delirium, or acute brain failure, often has organic causes. Dehydration, infection, low blood oxygen, inadequate cardiac output and drugs can all bring it on. And though environmental stressors are often implicated in the delirium of the

ICU, studies show that more often organic factors are to blame. In fact, many experts object to the term "ICU psychosis" because it covers a number of conditions with a catch-all rubric that often deters further investigation.

This can be fatal. For example, delirious patients with blood infections may be prescribed anti-psychotics instead of the antibiotics they need.

As it is, at least 20 percent and perhaps as many as 76 percent of acutely ill patients with delirium die within a few months, possibly because of the severity of the illnesses that caused the delirium in the first place. When patients leave the ICU, the problem almost always vanishes.

Even in the ICU, the psychosis often resolves spontaneously, with the coming of morning or sleep. Sometimes it lingers through the day. Severe agitation usually occurs only at night, however, which is why doctors and nurses often call it sundowning, also a kind of delirium common in nursing homes.

When it does not go away by itself, though, doctors must identify the underlying cause. Dehydrated patients will require fluids, for example; those with heart failure, digitalis.

It is environmental in origin, family members, familiar objects and calm words can help. But usually patients will require sedation with powerful anti-psychotics.

In recent years, progress has been made to reduce the stressors of the ICU. Many units now have visiting hours. Shifts are adjusted to minimize changes in the nursing staff caring for a patient. Lighting is adjusted to synchronize with day-night cycles.

But sometimes it is the small changes that make all the difference. I remember one patient who had suffered neurologic damage that had left him unresponsive. His son asked us to move him to the room next door because it had larger windows. The next morning I walked in to find the patient sitting in a chair, admiring the Queensboro Bridge.

He gave me a thumbs-up and his message was clear: All he wanted was a room with a view.

Dr. Sandeep Jauhar wrote this for The New York Times.

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Sweets and the Aging Process

WAshington (Reuters) — Rats that eat high levels of a natural sugar known as fructose seem to age faster than other rats — and the same could be true for people who eat too much sweet junk food, Israeli researchers report.

Fructose, found naturally in honey and fruit, is used widely in foods ranging from soft drinks to yogurt. But while its sweet taste is popular, the sugar could cause wrinkles and health problems, the researchers said.

Moshe Werner and Boaz Levi of the Technion-Israel Institute of Technology fed large amounts of fructose to laboratory rats. Writing in the Journal of Nutrition, they said the fructose-fed rats showed changes in the collagen in their skin and bones.

Collagen, a fibrous protein found in connective tissue, bone

and cartilage, basically holds the body together. The loss of collagen is what causes sagging and deep wrinkles in older people.

Other studies have shown that high fructose intake can affect how the body handles glucose and increases insulin resistance — which can both be important measures of the tendency toward diabetes.

The Benefits of Aspirin Therapy

CHICAGO (Reuters) — Taking aspirin regularly to ward off heart attacks and strokes increases the chance of a brain hemorrhage, but the benefits of aspirin therapy appear to outweigh the risks, researchers said.

Researchers at Tulane University in New Orleans analyzed 16 studies covering 55,462 patients who had aspirin therapy. They found that the number of patients spared a fatal heart attack or ischemic stroke — in which a blocked artery cuts off blood flow and oxygen to the brain — was larger than the increase in the number of brain hemorrhages.

Ischemic strokes account for 85 percent of strokes, and eases blood flow but raises the risk of internal bleeding.

Based on the study's findings, there were 137 fewer heart attacks per 10,000 aspirin therapy patients than otherwise would be expected, or a 32 percent decrease. There were 39 fewer ischemic strokes per 10,000 patients, translating to an 18 percent reduction. But the number of hemorrhagic strokes rose by 12 cases per 10,000 people, an increase of 84 percent.

The study found that, on average, aspirin therapy accounts for a 15 percent drop in death rates from all causes, and a 22 percent decrease in cardiovascular deaths, a 12 percent dip in fatal heart attacks and 12 percent fewer total strokes.

The basis for the finding that aspirin's benefits outweigh its risks was that heart attacks and ischemic strokes are far more common than hemorrhagic strokes. But, Jiang He, the author of the study, wrote in the Journal of the American Medical Association, "aspirin might be used with caution in subgroups who are at high risk of hemorrhagic stroke."



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on Page 15

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MONDAY, DECEMBER 14, 1998

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Censure Is the Way

The House Judiciary Committee has now completed its task, and it has failed miserably. It has approved four articles of impeachment, of which two are ill-defined and two are unsubstantiated. It also has arrogantly voted not to report a censure resolution, thereby seeking to deprive the full House of any alternative to impeachment. The House Republican leadership should remedy this situation by somehow ensuring that the full House gets to vote on the sensible alternative of a strongly worded censure resolution.

There is no question that President Bill Clinton committed grave offenses and aggravated them by refusing to acknowledge either the offenses themselves or their seriousness. The two perjury articles reported by the committee are both, in our judgment, factually accurate. But in this case, impeachment is an overly broad response. And even here, the committee has dodged its duty by failing to specify the statements by President Clinton that were, in my view, "perjurious, false, and misleading." No one should be required to stand trial either in court or in the Senate without being informed of the specific allegations against him.

The obstruction of justice article remains factually unproven. While the charges are serious and the evidence supplied by independent counsel Kenneth Starr raises questions that cannot be dismissed, the committee has not done the required investigation to sub-

stantiate these allegations. In the face of this failure, the article is irresponsible. The abuse of power article, likewise, is a mistake. Before reporting it, the committee stripped it of some of its most offensive stretches. It now alleges that Mr. Clinton lied in his sworn answers to some of the 81 questions the committee posed him. Those answers were contemptuous, but they were carefully drafted to avoid making new factual assertions. They are, rather, largely composed of citations of prior testimony. While the answers are evasive and often non-responsive, the committee has not made a persuasive case that they are perjurious.

Failing to send the Democratic censure resolution to the floor is the committee's final, crucial mistake. Republicans spent a good deal of time on Saturday deriding censure as unconstitutional. But nothing in the constitution prevents a censure resolution, as long as Congress does not seek to impose a fine or other material punishment on the president. A censure resolution is not a perfect outcome, but it would offer an intermediate step between giving him a pass on his misconduct and impeaching him for an offense that is mitigated by its distance from his public and official responsibilities. That censure marks a viable third way may be why some Republicans wish to avoid it. The new House leadership should allow members to vote on a reasonable alternative to impeachment.

—THE WASHINGTON POST.

Activists for Rights

Fifty years ago this past week, the United Nations adopted the Universal Declaration of Human Rights and the Genocide Convention. The world of 1948, impressed by the Nuremberg Tribunals, seemed ready to enforce international laws to prevent new acts of genocide and crimes against humanity. But nothing happened — until 1993, when the international tribunal for Bosnia became the first of several new attempts to enforce these laws. One important reason for the change has been the participation of citizen-activists, who have initiated some of the cases and played a major role in shaping the new courts.

The case against Augusto Pinochet of Chile began with private citizens; an organization of Spanish lawyers filed a complaint accusing him of human rights abuses. The laws of Spain and many other nations allow judges to investigate complaints from the public and open a case if the evidence warrants. The 1994 French conviction of Paul Touvier for crimes against humanity in Nazi-occupied France began as a complaint by the son of a victim, and the work of Nazi-hunters such as Beate Klarsfeld was instrumental in the 1987 conviction of Klaus Barbie. The only cases in U.S. courts against foreign human rights violators are suits

—THE NEW YORK TIMES.

Left Out of Europe

A great task of this era is the integration of Europe's newly free nations into the trans-Atlantic community of democracies. Nothing could be more important for future peace and stability than to lock in liberty's progress. So it is a worry now that the drive toward integration may be losing momentum — not because of any diminished enthusiasm by the new democracies, but because of faltering commitment by the old ones.

Key to this process are NATO and the European Union. One is primarily a military alliance, the other economic, but membership in both carries significant political consequences. To belong requires, broadly, good citizenship on a national and international level: getting along with neighbors, respecting the rights of minorities, keeping the military under civilian control, guaranteeing basic freedoms and civil liberties. The desire to join these organizations has spurred many countries to move quickly toward these goals. Membership will cement the gains.

But the European Union is moving slowly. The Berlin Wall fell in 1989, the Soviet Union disappeared in 1991, yet no new members have been admitted. First-tier candidates now have been designated, and negotiations are under way. But whereas at one time nations looked forward to entry by 2002 or so, now speculation centers on 2004 or 2006 or even later. Such a

—THE WASHINGTON POST.

Herald Tribune

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It's the Powerful Who Count, Ahead of the Kids

By Stephen S. Rosenfeld

WASHINGTON — Most of the content of Unicef's latest annual report on "the world's children" is about what you would expect. The familiar strategy of the UN Children's Fund is to identify children as a neglected social group without the capacity to generate its own relief. Hence the effort to pluck at our consciences with appeals for earnest striving in a worthy cause. Many of us who as individuals or countries lead privileged lives are pleased to respond to Unicef's evocation of our better nature.

This year the annual report, signed by Executive Director Carol Bellamy (former Peace Corps official, Wall Street lawyer and New York state senator) centers on education. In most typical and telling assertion is that nearly a billion people, two-thirds of them women, will enter the 21st century unable to read a book or sign their names, much less operate a computer or understand a simple application form. So much for equity and for the supposedly magic touch of globalization.

Girls' schooling in particular is identified by Unicef as the closest thing available to an all-purpose develop-

mental "magic bullet." It is credited not only with imparting skills but with improving health, cutting back population growth, stirring economic growth and even promoting international peace.

Why, then, is this university acclaimed project of basic education, and especially the education of girls, almost everywhere cherished but only slowly and erratically put into effect? Certainly it can't be just the cost. By agency estimates, it would take only an additional \$7 billion a year for a decade to extend primary education around the world. Ice cream money.

No, the answer lies elsewhere. It is the political will that is lacking, Unicef asserts. Here the report gets interesting as it turns toward the sensitive question of why big money goes to some projects but not to others.

When the international community decides that something is important or urgent, says Unicef, it can move mountains. Take the recent rapid \$100 billion bailout of collapsing Asian economies. Public banks simply jumped over the

sweeping, painful and protracted structural adjustments that they commonly require first from poorer countries. International Monetary Fund officials justified the favoritism by pointing to the importance of the Asian economies to the global financial system.

Two years ago the Fund and the World Bank launched a debt-relief operation to give the world's poorest countries a prospect of starting the new millennium with a clean slate. The effort founders "not least because of petty disputes among creditor governments," says Unicef. The resulting inertia "should be profoundly embarrassing to an international community that responded so swiftly and munificently" to crises in richer countries.

Notes the report: "The message that emerges is that massive allocations of global resources are made when the economic stability and well-being of the developed countries are threatened. The calls for investment in development and human rights remain, unfortunately, only rhetoric, and have not yet succeeded in generating a comparable response."

Perhaps a bit overdone, but in any

event admirably strong stuff for an official report.

The Unicef document goes on to detect a perceptible shift — perceptible to Unicef, anyway — in the international economic agenda: "After almost two decades in which human development has taken a back seat to globalization and structural adjustment, we may be entering an era of investment in 'human and social capital' that will make the task of spreading the education revolution worldwide much easier."

After all, education is critical to providing the trained population vital to sustain competitive markets and viable democracy. Moreover, the population of the developing world is no longer getting younger — Unicef depicts this demographic detail as an accomplishment in which education has played an important role.

We will see whether these trends produce the burst of appreciation for education that Unicef espouses. Meanwhile, we can contemplate whether we like the kind of class-fractured, power-centered world that it boldly and accurately describes.

The Washington Post.

Clinton in Gaza: An Attempt to Keep Peace on the Rails

By Jim Hoagland

WASHINGTON — Yasser Arafat, who has made a career out of falling upward, reaches the summit of that difficult art with his scheduled welcome in Gaza this Monday of President Bill Clinton, who will need all of his fabled good luck to pull off this dangerous-filled journey.

The Gaza trip was conceived at Wye Plantation in October as a ceremonial affirmation of the agreements that the three leaders reached there. The promise that Mr. Clinton would go to the desperately poor, insurrectionist enclave was intended to hush and guarantee the Palestinians' formal renunciation of the open Israeli opposition. Secretary of State Madeleine Albright told reporters the other day, because he has said he would go, the Gaza trip was part of the Wye deal.

The president interjects his office in a highly visible personal fashion into the struggle to achieve yet another affirmation by the parties of what has already been agreed on paper.

That, I fear, will sum up Mr. Clinton's trip. It could merely keep the way for greater and greater American effort in search of increasingly ephemeral gains.

The dangers Mr. Clinton courts by putting himself in the middle illustrate the dangers of the peacekeeping role he assumed at Wye to the CIA. The agency's role is to create a truce that five years of implementation of the Oslo agreement have not produced between Israelis and Palestinians. This is a vast project that may be a true Mission impossible.

There is now "an inverse ratio between confidence and diplomacy," foreign policy analyst Harvey Sieberman says of Israeli-Palestinian peace efforts.

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Between Mr. Arafat and Mr. Netanyahu over the endgame of the Oslo process. They no longer pretend to be productive partners. Each has returned to clawing out advantage from the other where he can.

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BUSINESS TO e-BUSINESS: AUTOMOTIVE

THE ROAD AHEAD FOR CARMAKERS

The auto industry's challenges: competition, complexity, customization and excess capacity.

The October merger of Chrysler Corp. and Daimler-Benz AG, which created the world's fifth-largest carmaker — with combined sales to exceed \$155 billion next year — came about as a response to many of the challenges facing the auto industry today. These might be listed as the four "Cs" — competition, complexity, customization and capacity in excess of global demand.

Friedrich Christeiner, general manager, IBM manufacturing industries, Europe/Middle East/Africa (EMEA), who also has global automotive responsibilities for IBM, explains that carmakers today face competition in every aspect of their business. They need to be in every niche of the market to maximize cost efficiencies, and they must be lean, agile and cost-conscious, as Chrysler learned to do after its near-bankruptcy and bailout by the U.S. government in 1979.

Complexity is due in part to the globalization of the auto industry. Car manufacturers must cope with a variety of locations, government regulations and incentives, distribution patterns and consumer buying habits.

The newly combined DaimlerChrysler, for example, has manufacturing fa-

cilities in 34 countries and sales in more than 200.

In addition, automobiles themselves are becoming more complex. There are up to 20,000 components in an average car, and between 30 and 40 microprocessors controlling transmission, braking, traction, air bags, seat belts and anti-theft systems, among others. And the number of microprocessors in cars is growing — the Mercedes S-class boasts 115.

One customer at a time. Buyers are demanding more and more customization in their cars, especially at the luxury end. "Very flexible production is needed to handle this," says Mr. Christeiner.

Finally, Mr. Christeiner points out that the automakers now have to deal with a 20 percent excess in manufacturing capacity. "The auto industry is cyclical," he says, "compounded by the economic situation in Asia and Eastern Europe. The result will be a further increase in competition and continued mergers and joint ventures and alliances."

From 20 major car manufacturers today, there will be 10 in coming years, predicts Peter Robison, director of IBM's automotive competency center, manufacturing industries, EMEA. "The



power balance is shifting," he warns, with a reduction in OEMs (original equipment manufacturers) and suppliers.

The upshot is that car companies must learn to "provide solutions, not build cars," says Mr. Robison, a former auto executive.

Information technology can help auto manufacturers respond to all these challenges. Computer-aided design shortens development time, and sophisticated links among designers, suppliers and manufacturers lower costs, making carmakers more competitive. Chrysler has learned this lesson; it has 110,000 employees have

been producing 3 million cars annually.

Managing complexity. "The drive to technology is not just a question of cost," says Eberhard Roller, IBM's director for global embedded and production solutions (GEPS), auto industry, EMEA. Companies must embrace new technologies because "manufacturing processes are now so complex that nothing else can handle

Mercedes, which has traditionally emphasized engineering quality over speed to market, uses technology to enable its engineers to explore a variety of concepts, materials and functions within a given time frame.

Mass customization — tailoring mass-produced goods to individuals — would not be possible without IT solutions to gather, organize, communicate and execute consumer-driven orders. No paper-based system could keep track of millions of cars, each one tailored to a specific buyer preference.

"All our technology has an end-user focus because the customer is determinant," says IBM's Mr. Christeiner. "The business drives the technology and not the other way round."

Since excess capacity gives rise to mergers and new alliances, technology has a major role to play in the resulting consolidation of the industry. The integration of suppliers, designers, manufacturers, dealers and customers calls for information networks operating on a real-time basis.

In the past, automakers looked at each of these parts separately. "But technology can link them together," notes Mr. Robison. He emphasizes that IT alone is not enough: "You have to change the organization as well as introduce the technology to make a difference."

AN EYE ON IMPROVING SERVICE

By the beginning of 1999, Swedish carmaker Saab will have linked all 225 of its U.S. dealerships in an e-business-based intranet it calls IRIS (Intranet Retail Information System).

IBM Global Services and CST Inc., an Atlanta-based IBM business partner, were among the project's primary vendors and helped modify Saab's existing systems and application for the intranet solution.

The reason is simple: "We expect to sell more cars," says Jerry Rode, director of information technology, Saab Cars USA, "and retain our customers by providing better service to them."

Dealer communication systems per se are nothing new, but IRIS is the auto industry's first sale-side network. Based on browser technology, it is simple to use and offers more functionality and graphics than previous systems. "IRIS easily outperforms Saab's older proprietary network," says Forrester Research, a technology research firm, and "offers Saab a competitive advantage by providing better service and easier access to information."

Saab required each dealership to have a minimum of four computers, one each for sales, parts, service and back office. One dealer, who had had no computers at all, enthusiastically purchased 16. His response was not typical.

"Our dealers love IRIS because it is on all the time," says Mr. Rode, "and they can improve customer service." For example, Saab car keys are electronically coded, so if a key is lost, the owner must go to a dealer, who has to contact headquarters for the code. With IRIS, this process takes seconds rather than hours.

Saab manufacturing also benefits from the system. In the past, the car warranty provided the only consistent feedback in terms of car performance. Now, information is sent to headquarters every time a car comes in to be serviced.

More information also helps manufacturers optimize their distribution costs, which represent about one-third of the final cost of a car, points out Adriano Beretta, marketing, sales and support manager for IBM's auto industry practice, EMEA. "Our mission is to help the manufacturer be more competitive," he says.

Although IRIS began in the United States, it will be rolled out to the European market in the near future. In Europe, unlike in the United States, car distribution is often separate from sales and service, especially in Southern Europe. In France alone, there are between 5,000 and 6,000 dealers and 40,000 service centers, and the latter may be franchised or independent.

IBM is installing a variety of networks in Europe that take account of these differences. For Italian truck manufacturer IVECO, IBM developed a simple dial-in facility that links IVECO offices in 34 locations in 33 countries around the world. The system significantly improves IVECO's worldwide parts service to its main dealers and its customers.

"It costs five times more to win a client than to keep a client," observes Mr. Beretta, so manufacturers and dealers have a strong incentive to add value and enhance customer satisfaction and loyalty.

e-business dealer and service networks go a long way toward this goal, but they cannot be considered ends in themselves.

Saab's Mr. Rode already has a shopping list of 63 enhancements to IRIS, including links to financial institutions, carriers (so customers know when their car will arrive), used-car information, calendars for on-line scheduling of service appointments and auto purchase on-line.

"Manufacturers have to find new ways to work in partnership with their franchised dealers, because the latter know the customer best, and that is the key to brand loyalty," Mr. Rode says.

DESIGNING PROFITS

Web-style applications have been developed for using three-dimensional digital prototypes.

Cars exist in a three-dimensional world, so it makes sense to design them in three dimensions, even on the drawing board. Thanks to advances in computer-aided design (CAD), designers have been increasingly doing so over the past several years. Using 3-D digital design, rather than physical prototypes, car manufacturers are able to shorten their production cycles, with resulting lower costs and quicker time-to-market.

"All cars today have benefited from 3-D," says Klaus Schaefer, director of IBM engineering solutions, Central Europe.

A three-dimensional digital mockup (DMU) can make all phases of auto development more efficient. The design phase is simplified, engineering can be more productive, the testing cycle is shortened and problems can be identified at an early stage, making vehicles less costly to produce and safer on the road.

CATIA, the Computer-Aided Tridimensional Interactive Application first de-

Digital 3D

Digital 3D prototypes can be shared among teams in design, production, sales and service — and with customers.



veloped in 1981 by France's Dassault Systèmes and marketed by IBM, is used by the vast majority of car manufacturers today. It offers the ability to introduce changes relatively late in the product development cycle, as well as features that bring the final customer closer to the company, e.g., test driving a vehicle through virtual reality or configuring a car in a dealer's showroom.

CATWeb takes this solution a step further by combining the efficiency of digital prototyping with the collaborative power of the Internet. Centro Stile Zagato, an Italian auto design firm, has been using CATIA since 1986 and is now testing CATWeb to distribute design information throughout the company.

Product director Maurizio Azzini sees this as the future evolution of the industry.

His company just designed a new tram vehicle for the city of Milan in six months.

"Without CATWeb, our proposal would have been less concrete, and the time might have been twice as long. We were able to reduce time and

costs, with better integration of engineering and development."

Mr. Azzini looks to new technologies as a way of giving his firm a competitive advantage, "a way of simplifying product development, not complicating it."

Using CATIA for the design of one of its 1998 cars, Chrysler found more than 1,500 "part interferences" and fixed them before a

single physical prototype was made. The total number of physical prototypes was reduced from 50 to 27.

With digital prototyping and effective data management, Chrysler saved at least \$80 million during one car program development by designing and engineering everything with CATIA, and reduced development time by eight months.

"Data management" is as

important as digital design in achieving cost and quality improvements. An effective data management tool is needed to track the input — and the updates — of all the designers, engineers and suppliers involved in auto development. Without automatic access to updated information, the time costs of updating a model (if possible at all) may outweigh the benefits of digital mock-ups.

And product cycles are shorter than ever. Instead of developing three cars in 10 years, today's engineers may produce 10 models in two years, says IBM's Mr. Schaefer.

At the same time, profit per vehicle in Germany has increased, he notes, thanks to "good management practices, the technology to drive them and the people to operate them."

MASS-PRODUCED, BUT CUSTOM-MADE

Auto plants are being reorganized for "just-in-time" and sequenced production.

When plans were announced for the first Mercedes factory in the United States in 1993, two prestigious reputations were laid on the line. One was that of Daimler-Benz AG (now part of DaimlerChrysler); the other was IBM's.

From the beginning, the factory was designed to create a new way of producing cars, with innovation built into the basic premise.

"The stakes were high for both names if things didn't work out," says Wayne Zeek, project executive, IBM global services, who helped design the plant.

Mercedes wanted to be successful with the new venture and was willing to try out

new manufacturing concepts to make it work. IBM had been eager to develop a long-term partnership on a high-visibility project and agreed to an unusual compensation arrangement (based partly on the number of vehicles produced) to prove its point.

Today, 65,000 vehicles per year are produced, but the demand has been so great for the M-Class sports vehicle that capacity is being increased to 80,000 vehicles per year. And another assembly plant is being prepared in Austria to produce 30,000 more.

Together, Mercedes and IBM created a fully integrated, enterprise-wide information technology system to support the plant's business processes.

Such a comprehensive technology solution — including consultation, system implementation and ongoing support — had never been implemented by an automaker so quickly (in just over three years).

"We implemented lean manufacturing techniques made possible by recent technology," says Mr. Zeek. "There are no warehouses

and no inventory. Everything is JIT [just-in-time] and sequenced."

Sequenced production means that customers can order cars custom-made to their specifications. In Europe, an unsophisticated version of build-to-order mass customization has been practiced for years, says Eberhard Roller, IBM's director for global embedded and production solutions (GEPS), auto industry, EMEA. Buyers sit down with a dealer to choose the features they want, then wait — and wait and wait until their purchase is ready.

The U.S. buyer, in contrast, is used to going to a dealership, bagging over available models and prices, and driving out with a car an hour later. This build-to-plan approach has high inventory costs and sometimes low customer satisfaction. BMW dealers in the U.S. make \$450 more per vehicle when their buyers custom-order.

Mass customization is made possible, in part, by automated line-control systems. These systems contain the data for every car coming down the line, including which features it should

CAR SALES GO ON-LINE

In August, Mercedes became the first car manufacturer to sell its cars directly over the Internet, says James McQuivey, an analyst who covers automotive sales for Forrester Research, a technology research firm. The offer was made only to customers in the United States who were planning to pick up a car in Germany and drive it around Europe, then ship it back to the States.

Buying directly on-line may be the wave of the future. But for now, indirect on-line sales — in which the buyer does research over the Internet and is then referred to a dealer for delivery — is changing the auto-distribution landscape.

In 1997, 135,000 cars in the United States were bought that way. Some experts estimate that 40 percent of auto buyers will do research on the Internet in five years, notes an IBM executive, Friedrich Christeiner. And an Arthur Andersen study estimates that by 2004, the Internet will play a role in one out of three car sales in Europe.

"The fact is that customers hate going to showrooms and being subjected to sales tactics," says Mr. McQuivey.

"Dealers still tend to see Internet leads as a threat," he says. "They need to realize that Internet prospects are different from the average customer. They are already halfway through the sales cycle."

FOR MORE INFORMATION ON e-BUSINESS:

Contact IBM by e-mail at kbusque@fr.ibm.com or by fax at +33 1 41 88 52 50.

For examples of European e-business initiatives, consult <http://www.europe.ibm.com/nc/customer>. Look for the "Business to e-Business" series on the IHT Web site at <http://www.ihf.com/IHT/SUP/ebiz.html>.

The Web version of "Business to e-Business: Automotive" hotlinks the following words to other relevant Web sites:

- Chrysler • Mercedes
- Saab • Audi

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IBM

INTERNATIONAL Herald Tribune

NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, December 11						stocks	Div Yld	Sales 700 High	Low	Chge
Stocks	Div Yld	100s High	Low	Close	Chge					
AirtronC		740	184	14	177					+2%
ArtisanC n		452	184	14	177					+2%
Artist		320	114	14	174					+4%
Attwry		125	21	21	21					-14%

INTERNATIONAL HERALD TRIBUNE, MONDAY, DECEMBER 14, 1998

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MONDAY, DECEMBER 14, 1998

Silicon Duo To Take On Microsoft

Sun and Oracle Move To Simplify Computers

By John Markoff
New York Times Service

SAN FRANCISCO — Sun Microsystems Inc. and Oracle Corp., Microsoft Corp.'s archrivals, will announce Monday a partnership to build appliance-like computers that hide the complexity of the operating system from computer users.

The agreement is the first step in a strategy outlined by Oracle's chairman, Lawrence Ellison, in his battle to unseat the company whose Windows and Windows NT operating systems dominate the computer industry, doing away with the operating system almost entirely.

The agreement, which covers technology-sharing and marketing, is based on a cross-licensing agreement the two companies signed this month that gives Oracle the ability to use a portion of Sun's Solaris operating system to create simple server computers that will come pre-configured to run Internet and office database applications.

The agreement also permits Sun to add Oracle's database to its operating system for a management application.

The agreement specifies that both companies will use each other's key technologies in limited ways so as not to compete directly, according to a copy of the agreement made available to The New York Times.

The new strategy is a refinement of Mr. Ellison's original attempt to convince corporate computer managers to simplify their computing networks by doing away with personal computers on workers' desktops and replacing them with a simpler terminal called a network database.

Novell Inc., Sun, Netscape Communications Corp. and a number of other Microsoft rivals had begun plotting an alternative computing environment to the personal computer in 1995 based on inexpensive desktop computers that would download software via corporate networks.

Network computing has been slow in developing in part because of the dramatically falling cost of personal computers and in part because, until now, network computers have been slow to offer a commercially viable system.

Mr. Ellison and his allies have not given up. In its most recent variation, the network computing idea calls for the centralization of almost all computing tasks, so that users' computers will run only a web browser, or possibly just display the output of a program running on a server computer.

Last month Mr. Ellison said Oracle planned to introduce a new version of its Oracle 8 database program that he said would be sold by PC server companies, such as Compaq Corp., Sun Microsystems, Hewlett-Packard Co. and Dell Computer Corp. as a plug-in appliance version of a virtual operating system.

At the time Mr. Ellison said that he had been in talks with those companies but that licensing terms had not been settled on.



Larry Downing/The New York Times

Boeing's President Harry Stonecipher, left, and Chairman Philip Condit have had a choppy year capped by weak profit predictions. "No one could have run this place successfully for the last year," said Mr. Stonecipher.

CYBERSCAPE

With Go, Disney Enters the 'Portal' Wars

By Saul Hansell
New York Times Service

NEW YORK — A 19-year-old college student sat alone with a computer as a commanding voice echoed through the windowless room.

"Now go to No. 5," the voice said. "Find out what the weather is like in San Jose."

The student was taking part in a test of the Go Network, Walt Disney Co.'s answer to Yahoo! Inc., America Online Inc. and all the other "portals" to the Internet — entry points to a world of information, entertainment and commerce.

Go wasn't going so well, however, at this late October test in Sunnyvale, California. As the student scowled, three young women behind a one-way mirror monitored each of her hesitant clicks of the mouse. It took her a long time to find the weather section on Go's crowded front page; then she was stumped, because she thought she needed to know San Jose's ZIP code. She could have determined the weather in Silicon Valley a lot more quickly by stepping outside.

Disney hopes that it has gotten the bugs out of Go by now, especially since it is offering a preview of the site (go.com) to the public starting Monday. A formal introduction is scheduled for January. While the company is already a major presence on the Internet — with your lots of sites for sports fanatics (espn.com), news hounds (abcnews.com) and "soap" opera viewers (abc.com), among hundreds of others — it is now making a bigger bet on cyberspace than any other media concern in the world.

In a complex deal in June, Disney traded some Internet operations plus \$30 million in cash for a 43 percent stake in Infoseek Corp., an also-ran Internet search engine company, which will run Go. Disney will funnel \$150 million to Infoseek to promote the new Web site on ABC, which Disney owns,

and on Disney's cable channels.

Indeed, Disney will deploy everything from its cruise ships to its theme parks to trumpet Go, just as it stretched its every synergistic muscle for "A Bug's Life," its current hit movie.

Why bother?

Disney is entering a crowded field in which big media companies have repeatedly founded — most notably its rival Time Warner Inc., whose pioneering *Faithnet* portal has struggled as much as any other "portal" to the Internet — entry points to a world of information, entertainment and commerce.

At first glance, Disney's offering has little to distinguish it from the leading portal, Yahoo, which sets the standard for being fast, easy to use and loaded with fancy features — news, financial data, electronic mail, chat groups and the like. America Online incorporates those same features in the Internet access it provides to half of America's wired homes, and it just agreed to buy Netscape Communications Corp., largely for its popular Internet portal. Other rivals abound, including Excite, Lycos, Microsoft Corp.'s MSN and Snap, which is backed by General Electric Co.'s NBC unit.

And given that hardly any of these businesses are profitable, Disney with so many opportunities in movies, television and theme parks — could have found easier ways to get a return on its investment.

Still, the Disney chairman, Michael Eisner, has personally orchestrated much of the Go initiative, down to selecting its traffic-light logo.

He concluded that Disney had no choice but to enter the fray. "We want to be a relevant company," he said last week. "I don't want to have our company be in the railroad business while people are flying overhead in airplanes."

Contrary to much of the evidence so far, Mr. Eisner is betting that "content" — the information and entertainment created by Disney — will give Go an edge over Yahoo and its kin, which

dismiss content as a mere commodity, preferring to link users to information rather than originate it themselves.

And every page — along with every other Disney Web site — links to Go, in what the company hopes can become a largely self-contained cyberuniverse.

Microsoft, America Online and others have reduced investments in original Web content. "It's a very big bet to cast your lot with one group of content sites and assume what is good today will also be good tomorrow," said Jerry Yang, a co-founder of Yahoo.

But Mr. Eisner argued that as the Internet matured, Disney's strengths would be more important. "As technology becomes comfortable, the product takes over," he said, comparing the Internet now to cable television in its early days. "At first, the point was to improve the picture on your broadcast channels. Now it has turned into a product play: How good is the Disney Channel or the Discovery Channel?"

So far, however, analysts who have seen Go say that it does not seem to be anything special.

"I don't see Disney as an also-ran, given how much money they will throw at this," said Patrick Keane, an analyst with Jupiter Communications, a consulting firm in New York. "But I'm not sure how many users they can siphon from Yahoo or Excite."

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Shell Seen Posting Up to \$5 Billion in Charges

Bloomberg News

LONDON — Royal Dutch/Shell Group on Monday could announce as much as \$5 billion in charges to write down assets it will sell or close to cope with crude oil prices at their lowest level in 12 years, analysts said.

The world's biggest publicly traded oil company will brief analysts in New York and London on its latest step to trim staff and speed a decision-making process encumbered by a leadership-by-consensus model adopted in the 1950s.

Shell is eager to revive flagging returns and bolster its position as smaller competitors, such as Exxon Corp. and British Petroleum Co., pursue multibillion-dollar acquisitions to create compa-

nies that rival its size. The presentations will be the most detailed to date on the strategy of Chairman Mark Moody-Stuart, who assumed the post July 1.

"They must do some ingenious restructuring to their business to get things up," said David Stedman, analyst with Daiwa Europe.

"They're facing a terrible oil price, a slowing petrochemical cycle and the rest of their competitors are merging. These are a lot of significant problems."

Analysts have all but dismissed the prospect Shell will link up with another major oil company, such as Chevron Corp., Texaco Inc. or Conoco Inc. It does not need further economies of scale — it is already bigger than the

combined BP-Amoco PLC would be and because it has avoided the kind of cost-cutting that U.S. oil companies undertook in the last decade, Shell still has plenty of places to trim.

Instead, Shell is focusing on its own oil profit rate 31 percent in the first nine months of this year, to \$4.3 billion, from \$1.6 billion in 1997. Brent crude fell below \$10 a barrel, its lowest level in 12 years and half last year's peak price of almost \$25.

Mr. Moody-Stuart is eager to make good on Shell's promise last year to make 15 percent return on capital invested. That measure of the company's efficiency in making investments dipped to 9.2 percent in the year to October, down from 12.1 percent in 1997.

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American operations of Nomura Securities incurred losses of \$1.16 billion in the March-September period, dragging the parent company in Tokyo into the red. Much of that loss came from write-downs of the value of Capital America's real estate portfolio, a collection of loans that financed shopping malls, hotels and other developments around the country. The company thrived by lumping such loans into packages and selling them to investors, but the market turned sour in August and September.

Michael Hurdelbrink, Capital America's new chief executive and a member of the review team. "But we asked whether this business can continue to generate the returns we want in the future, and the answer is no."

The closing will affect commercial real estate developers, who will lose one of their most eager lenders. In six years, Capital America made more than \$32 billion in loans, sometimes to customers who were turned away from big commercial banks.

Analysts said Nomura's exit would not seriously harm the business of turning real estate loans into commercial mortgage-backed securities. But developers will have fewer choices, said Gale Scott, a managing director in real estate finance for Standard & Poor's.

Mr. Hurdelbrink said there would be no fire sale.

"Nomura has the capital and the patience and discipline to carry the assets," he said. "Let's face it: We are not without negative attention recently and we need to stabilize the company first."

"We had a good run for six years."

CURRENCY RATES

	1	5	30	90	180	360	1	5	30	90	180	360	1	5	30	90	180	360
Australia	1.065	1.026	1.071	1.058	1.076	1.064	1.065	1.026	1.071	1.058	1.076	1.064	1.065	1.026	1.071	1.058	1.076	1.064
Brazil	2.287	2.174	2.204	2.185	2.207	2.188	2.287	2.174	2.204	2.185	2.207	2.188	2.287	2.174	2.204	2.185	2.207	2.188
Canada	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623	1.623
China	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489	1.489
France	1.603	1.583	1.583	1.583	1.583	1.583	1.603	1.583	1.583	1.583	1.583	1.583	1.603	1.583	1.583	1.583	1.583	1.583
Germany	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518
Japan	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518
UK	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518
U.S.	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518	1.518
Other Dollar Values																		
Forward Rates	30-day	45-day	90-day	Currency	30-day	45-day	90-day	Currency	30-day	90-day	Currency	30-day	Currency	30-day	90-day	Currency	30-day	Currency

CAPITAL MARKETS ON MONDAY

Money Market Funds Outsell Stock Funds in '98

Bloomberg News

NEW YORK — U.S. money market mutual funds are taking in far more cash than their stock fund rivals for the first year since 1990, according to an industry report.

A record \$210.1 billion poured into money funds in the first 10 months of 1998, 47 percent more than the \$142.7 billion that went into stock funds, the Investment Company Institute reported.

The trend accelerated in November as an estimated \$44 billion was invested in money funds, while about \$12.2 billion flowed to equity funds, according to analysts' estimates. The institute, the industry's trade group, will release its November fund report this month.

It said the amount of assets under money fund management topped a record \$1.4 trillion this week.

"It's an awful lot of money that could

one day be invested in stocks so the surge in money fund buying is actually a positive sign for stocks," said Peter Crane, managing editor of IBC Financial Data Inc., a research firm in Ashland, Massachusetts.

The last time money funds attracted

INVESTING

funds was eight years ago when about \$23.2 billion was invested in money funds and about \$12.8 billion went into stock funds, according to the institute.

The year 1990 also happened to be the last year the U.S. benchmark stock index — the Standard & Poor's 500 — fell. The index declined 3.1 percent in November.

This year, the S&P 500 was up 20.2 percent, meaning most investors were better off owning stock funds than

money funds. The annual return for the average money fund is closer to 5.1 percent this year, according to IBC Financial.

Money funds have grown in popularity as many investors are expecting corporate profit growth to slow in 1999, and as a result, stock market gains may be more limited.

"Next year is going to be tougher to make money owning stocks," said Robert Doll, director of equity investments at OppenheimerFunds Inc., who helps oversee almost \$50 billion in assets. "High valuations, combined with disappointing earnings, will limit market gains."

While the possibility of a market decline worries many investors, there is also a more technical reason to help explain the big increase in money fund inflows, Mr. Crane said.

Money market funds are taking busi-

ness from banks, where regulations cut into the rates that banks can pay investors for money market deposit accounts and certificates of deposit, said Mr. Crane, who tracks the business.

By law, banks must set aside cash against all deposits to meet Federal Reserve requirements and must comply with other costly regulations, he said.

The result is that bank rates are lower. Money market rates offered by money management firms are about twice as high on average as banks' federally insured money market deposit accounts, he said.

Among funds open to individuals, Strong Investors Money Fund was the taxable fund with the highest seven-day yield at 5.47 percent, according to IBC Financial. By contrast, the yield of the average money market deposit account is 2.32 percent.

The purchase of money funds picked up in July when volatility in the U.S. stock market increased as economic woes spread from Russia to Brazil.

Since then, the money funds attracting the most money include Merrill Lynch CMA Money Fund, Schwab Value Advantage Money Fund, Smith Barney Cash Portfolio, Fidelity Cash Reserves and Vanguard Prime Money Market Fund, IBC Financial reported.

U.S. investors and analysts said they were looking for another year of solid returns in 1999, even as stocks retreat from records and a Who's

of big companies warn of disappointing profits.

The analysts argue that market-friendly trends of late will not abate. Interest rates may continue falling, investors will continue pouring money into mutual funds, and the "year 2000 problem" will buoy technology spending — all as Asian economies recover, they said.

People will begin to see global economic growth rebounding, which will be good for corporate profits and good for stocks," said Tom Galvin, chief investment officer at Donaldson, Lufkin & Jenrette Inc., a New York investment company.

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Dec. 11. Prices supplied by Telekurs.

Australian Dollar

169 Australia Govt 6% 11/5/06 113.0860 5.9400

Austrian Schilling

136 Germany zero 07/15/99 99.7000 3.0100

139 Treuheld 7 11/25/99 103.5700 5.7600

140 Germany 7 01/04/00 103.5700 5.7600

154 KfW 5 01/04/00 107.4000 4.6500

157 Dutch State 4% 12/05/00 101.4000 4.6500

160 Dresd 4% 07/15/00 104.4450 4.5500

161 Germany 7 09/20/99 102.9000 4.1000

174 Germany FRN 3.9500/3.9500 100.5000 5.2500

176 Dresd 5 02/05/00 105.5000 4.9000

177 Germany 7/24/00 02/25/00 105.5000 7.3000

189 Germany 6/19/00 09/15/99 103.5700 5.7600

194 Germany 7 11/25/99 103.5700 5.7600

202 Portugal 5.4500/5.4500 109.5000 5.4500

220 Germany 7/12/00 12/03/99 103.5700 5.7600

227 Germany 6/5 02/19/99 101.7700 6.3000

233 Treuheld 4% 02/19/99 101.7700 6.3000

241 Austria 5.5000/5.5000 100.2000 5.2000

242 Finland 3.7000/3.7000 101.4684 3.6900

243 Dresd 4% 07/15/94 99.7800 4.5100

Belgian Franc

185 Belgium Tolls zero 03/15/99 99.1962 3.2200

246 Belgium zero 03/25/99 99.1085 3.1300

British Pound

41 Anni Fin No 4 zero 01/02/03 23.1250 4.2000

121 Anni Fin No 4 zero 12/03/00 23.2500 4.0000

81 Britain 7 06/07/00 107.5100 6.5100

124 Fin Reald Hous 11.126/09/30/50 164.5250 6.4500

151 Anni No 4 FRN 7.652/00 01/22/23 143.4748 8.0712

173 Anni No 4 FRN 7.652/00 01/22/23 143.4748 8.0712

181 Dresd 8 12/07/00 105.4300 2.5700

203 5 rahn 7 11/04/01 105.9700 6.4100

225 Edelcofin 3.9000/3.9000 102.7147 0.7000

244 EIB 6/4 12/07/98 105.4789 5.7000

Danish Krone

28 Denmark 8 03/15/96 123.6300 6.4700

32 Denmark 7 11/15/00 120.0300 5.8300

44 Denmark 6 11/15/00 120.0300 5.8300

51 Denmark 6 05/01/00 114.0400 6.8900

67 Denmark 4 12/10/99 101.9000 5.8900

70 Denmark 6 11/15/02 102.0500 5.6000

74 Denmark 8 11/15/02 102.0500 5.6000

75 Denmark 7 11/15/02 121.5000 5.5000

76 Denmark 7 12/15/00 123.9200 6.4700

123 Denmark 6/2/00 12/05/99 103.5000 5.6700

134 Denmark 4 02/15/01 100.1400 3.9900

142 Denmark Do 12/03/00 122.5000 6.2000

178 Denmark Tolls zero 08/29/99 7.3476 4.1200

Deutsche Mark

1 Germany 6 07/04/02 115.5000 5.1900

12 Anni BTAN 7/12/00 114.7500 4.3500

3 Germany 4/9 07/04/02 104.5339 4.5000

4 Germany 4/9 07/04/02 102.5700 4.2000

5 Germany 8 01/21/00 113.6743 7.0400

6 Germany 8/7/22/00 105.4000 6.7200

7 Germany 5/9 01/04/02 115.9154 4.8500

9 Germany 3/9 01/04/00 106.1300 5.2500

10 Germany 4/9 01/04/02 104.7499 4.8100

11 Germany 4/9 01/04/02 104.7499 4.8100

12 Germany 7/24/00 112.8188 6.4500

14 Germany 5/4 02/26/03 101.7984 3.6900

16 Germany 7/12/00 101.7984 3.6900

17 Germany 7/12/00 111.1000 7.9900

18 Germany 7/12/00 111.1000 7.9900

19 Germany 7/12/00 111.1000 7.9900

20 Germany 4/9 01/04/02 100.1800 3.9500

21 Germany 4/9 01/04/02 100.1800 3.9500

22 Germany 4/9 01/04/02 100.1800 3.9500

23 Germany 5/6 02/22/00 104.1600 5.5000

24 Germany 4/9 01/04/02 103.0000 4.3700

25 Germany 5/11 12/02/00 104.1600 5.5000

26 Germany 5/11 12/02/00 104.1600 5.5000

27 Germany 4/9 01/04/02 104.5227 5.8400

ECU

38 France 5/4 04/25/98 110.6545 4.7400

51 France BTAN 5/4 04/25/98 110.6545 4.7400

54 France BTAN 5/4 07/20/03 104.5700 4.3000

55 France OAT 5/4 04/25/07 112.9000 4.8000

56 BNG 5/4 04/25/07 100.8000 3.7200

57 France OAT 7/6 04/25/02 102.1200 5.1200

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65 France OAT 7/6 04/25/02 102.1200 5.1200

66 France OAT 7/6 04/25/

Total Aims to Stay Lean in Mean Times

By John Tagliabue
New York Times Service

Total SA's fan club sent up a groan Dec. 1, when the news broke that the company had agreed to buy Petrofina SA of Belgium for \$1.15 billion, in stock.

Analysts blanched at the rich 37 percent premium that Total, the No. 2 oil company in France, had agreed to pay. They complained that Total was betraying a proven strategy — a concentration on exploration and production, the more profitable upstream parts of the oil business — by buying the downstream-heavy Belgian company with its refineries, chemical plants and gas stations.

Jeremy Hinsley of Salomon Smith Barney, slashed his rating of Total from "outperform" to "underperform," saying the Petrofina deal "raises questions about Total's future." And investors drove the stock price down 11 percent in a day.

But Total's chairman, Thierry Desmarest, says they groaned too soon. When markets reacted sourly to the Petrofina deal, Mr. Desmarest flew to London and New York to make his case to money managers. Within a week, Total had doubled its estimates of the cost savings it will wring from the new company, and he was projecting that Total's earnings per share would grow 1.6 or 17 percent a year, from 15 percent.

Investors may not believe it yet — Total's stock finished the week at 557 francs (\$100.77), 21 percent below its last close before the merger announcement — but the company's track record suggests that those promising cost and profit figures are not just wishful thinking.

In Mr. Desmarest's five years as chairman, Total has shown how a European oil company can excel, increasing production, sales and profits in an era of slumping oil prices. Even in the first half of 1998, when the industry was watching a quarter of its earnings evaporate, Total managed to hold its own damage to less than 6 percent of net income.

Achievements like that have made Total popular with British and American fund managers, who hold 42 percent of its shares. Total stands out in a country noted for cossed-out state-owned industries that hemorrhage cash, well-run investor-owned companies like it are scarce.

The contrast with Elf Aquitaine SA, France's largest oil company, is stark. Despite strides toward competitiveness since its privatization in 1991, Elf has an air of French administration," said Americo de Gilard, analyst Societe Generale in London. "Total is free enterprise."

If so, it is largely because of Mr. Desmarest's thick-skinned management talent for getting productivity up while keeping costs down, coupled with an entrepreneurial audacity that does not shy from tough decisions. Last year, in the face of a firestorm of criticism and threats from the United States, he signed

a \$2 billion agreement to develop the South Pars gas fields in Iran; he won his wager when Washington backed down and waived sanctions.

Of course, much has changed at Elf under Philippe Jaffe, who became chairman around the time Mr. Desmarest took the helm at Total and has since made his own considerable headway in cutting costs.

But productivity at Elf continues to lag far behind Total. Last year, Total produced \$384,000 of revenue for each employee, while Elf managed only \$303,000. And Total posted an operating margin of 6.1 percent of revenue, compared with Elf's 2.2 percent.

Before becoming chairman, Mr. Desmarest oversaw Total's worldwide exploration and production. Since 1993, he has secured promising exploration rights in Nigeria, Indonesia and Latin America.

Such aggressive exploration pushed up Total's crude-oil production to 780 million barrels last year, 44 percent more than in 1990. The acquisition of Petrofina will add 240 million barrels a year.

In some ways, the Petrofina acquisition undoes a streamlining move that Total made last year, when it sold its Total's refineries and gas stations in North



Thierry Desmarest, Total's chief, says expansion will boost profits.

America to Ultramar Diamond Shamrock Corp. Total said last Thursday that it would seek a buyer or partner for some of Petrofina's U.S. refineries and gas stations as well.

But Mr. Desmarest makes no apologies for the overall thrust back into refining and retailing. "Over the next five years, our concern was to have our downstream pole strong enough," he said. "It's important to keep sufficient balance."

Trust & Banking Co. is one candidate widely mentioned. Chuo Trust, which is also considered in weak condition, had been in merger talks with Nippon Credit.

The Nikkei Keizai Shimbun, the leading Japanese business newspaper, said that the nationalization showed the government's resolve to clean up the banking crisis. An American fund manager said the move could be a turning point in Japan's efforts to get rid of its bad loans and shaky borrowers from the system.

DaimlerChrysler Fuels Merger Talk

Reuters

SEVILLE, Spain — Speculation about consolidation in the European defense industry heated up over the weekend, with DaimlerChrysler Aerospace AG of Germany and British Aerospace PLC holding merger talks but saying that no announcement was imminent.

In Seville, where DaimlerChrysler executives were meeting, a company spokesman confirmed the talks. When he was asked whether something could be announced before Christmas, he replied it was "very, very difficult to say."

The two companies have repeatedly said that they are in talks with each other and with Aerospace of France on integrating the European defense and aerospace industry to make it more competitive with U.S. rivals. A two-way merger would create Europe's biggest aerospace and defense group, with combined sales of over \$23 billion.

A British newspaper, meanwhile, reported that General Electric Co. had made a last-minute plea to BAe to scuttle its plans with the German company and conclude an all-British merger instead. GEC, responding to the report in the Sunday Telegraph, said a number of options were being considered.

BANK: Tokyo Forcibly Nationalizes Insolvent Nippon Credit

Continued from Page 1

stabilize the system. But Mr. Yamagawa said he had "not heard that any other banks suffer" from a capital deficit.

Bank inspectors concluded in November that Nippon Credit had been insolvent as of March 31, the end of the financial year, with a capital deficit of about \$806.8 million. That does not include \$1.6 billion in unrealized losses on holdings, mostly securities.

The government investigators also concluded that Nippon Credit's problem loans totaled \$32 billion as of March 31, significantly higher than the \$27 billion reported by the bank.

Nippon Credit was ordered in November to propose measures to improve its finances, but "what they presented was not persuasive," Mr. Yamagawa said.

Prime Minister Keizo Obuchi said, "The government will continue to take all possible measures to protect depositors, maintain order in the financial system and stabilize financial markets, both in Japan and abroad."

He said that the government would provide the funds necessary for Nippon Credit's operations and that all deposits, bank debentures, interbank transactions and derivatives transactions would "be settled."

The government said it would write off the bad loans at Nippon Credit and then healthy operations would be sold to another bank. Chuo

digitizes thousands of drawings added to the rising confusion.

Parts shortages developed, and work fell behind schedule as thousands of new workers — hired to replace older, skilled laborers who took early retirement during the previous down cycle — could not handle the load.

Mr. Condit said that if he finds fault with himself, it is in underestimating the challenge of transforming Boeing from a company of the Cold War era, which valued engineering performance above all, to one that also values financial performance.

Now, he said, "we have unhooked ourselves from market share internationally and said what we are about is running a profitable company."

Continued from Page 13

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Executives believed plans to overhaul Boeing's production systems — due to date World War II and are still largely paper-based — would allow the company to cut the unit cost of each jet by 25 percent so that it would make a profit even at the low prices.

As orders poured in, Boeing was forced to increase production to 40 planes a month, from 18, in a year and a half. Rather than help, the efforts to consolidate 400 computer systems, track millions of parts and

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Continued from Page 13

ago

U.S. MUTUAL FUNDS

Figures as of close
of trading December 11

This table shows the performance of Newmont's listed funds through Friday and includes the 4,200 funds in terms of assets. There are now 6,158 funds currently listed on Nasdaq.

MEAN is the net asset value; i.e. the portfolio divided by the number of shares outstanding.

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Name, field supervisor: - C - territorial - only those
contracted there: - N - no lease and field or contract
with another.

contractual plan; n - no front-end cost or no deferred sales load; p - paid annuity used to distribute costs; r - reinsurance fee or monthly deferred sales load may apply; t - features p apply.

Price Yield Information: x = ex-capital gains
 1 = previous day's quotations; 0 = dividend declared
 z = ex-cash dividends.

NASDAQ NATIONAL MARKET

Comments

CALVIN AND HOBBES



SPORTS

Heisman Trophy Goes to Ricky Williams

Texas Running Back Says It's His Team, Not Just Himself, That Deserves Top Honors

By Joe Drape
New York Times Service

NEW YORK — Ricky Williams ran away with the most coveted prize in college football.

The University of Texas running back was named the 1998 Heisman Trophy winner Saturday night at the Downtown Athletic Club in New York City by the fourth-largest margin of victory in the 64-year history of the award.

"I didn't grow up dreaming of playing in the NFL," Williams said. "I grew up dreaming of playing college football. This is a very special moment."

Williams captured 2,355 points and was the overwhelming first choice. The Kansas State quarterback, Michael Bishop, was second with 792 points. Cade McNown of UCLA was third with 696 and Tim Couch of Kentucky was fourth with 527 points.

Williams's 714 first-place votes,

to 41 for Bishop, were the third-most in the award's history, behind O.J. Simpson in 1968 and Charlie Ward in 1993.

Williams said his feelings were hurt last year at not being invited to the Heisman ceremony despite his status as the leading rusher in college football — in his junior season.

He returned for his senior year and finished it owning all or part of 16 National Collegiate Athletic Association Division I records, including most career rushing yards — 6,278 — which Tony Dorsett held for 22 years until Williams's final game of the 1998 season.

But his biggest achievement may be expanding the perception of how a Heisman Trophy winner looks and acts. Off the field, he looks like a rap singer with his dreadlocks, the stud in his tongue and the four tattoos, the most colorful, being "the Mighty Mouse" on his arm.

On the field, Williams is a 6-foot-1-inch (1.85 meter), 225-pound

(102-kilogram) bulldozer who prefers to use his 4.3-second speed in the 40-yard dash to run over defenders, rather than around them.

Williams is a gifted athlete who spends summers as an outfielder in the Philadelphia Phillies organization, but whose eventual goal is to put an education degree to work teaching elementary school. He speaks engagingly of the evolution of the legend star Bob Marley, but is just as enthusiastic while discussing the legacy of Doak Walker, the 1948 Heisman winner whom Williams befriended a year ago and helped comfort during his paralysis after a skiing accident. Walker died this autumn.

"He was so humble," Williams said, remembering Walker on the 50th anniversary of the former Southern Methodist star's Heisman victory. "He kept fighting back through good and bad. It's the way I want to live my life."

Williams even wants to change

what the Heisman means. He shrugged off the fact that the trophy was the greatest individual honor in college football. "I disagree," he said. "It's a team award. You can't become a finalist without the effort and hard work of the whole team. The best part of this whole season is that I was part of a Texas team that won eight games."

Mac Brown, the new Texas coach, turned Williams's Heisman campaign into a team crusade. The Longhorns upset Nebraska, 20-16, in Lincoln behind Williams's 150 yards and a touchdown-saving tackle he made on an interception, which turned the game around. Cornhusker fans were so impressed that many stayed to give Williams a standing ovation as he left the field.

Texas beat Oklahoma in a game made more poignant by Williams, who received permission to wear No. 37 — Walker's number — at the Cotton Bowl in Dallas, where the SMU star played his home games.



AP Wirephoto

Ricky Williams, foreground, waiting for the Heisman Trophy winner to be named. Behind him are some of the other leading contenders for the award.

Photo: AP/Wide World

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SPORTS

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WORLD ROUNDUP

Victory for Maier

SKIING Hermann Maier won the World Cup Super-G in Val D'Isere, France, on Sunday by more than a second.

The double Olympic champion charged down the drizzly, fog-shrouded course in 1 minute, 18.73 seconds, more than a second ahead of his nearest rival, Stephan Eberharter, an Austrian teammate who clocked 1:19.91.

Lasse Kjus, the winner of the Saturday downhill on the same course, was third in 1:20.10. (AP)

Abidjan Takes Title

SOCCER ASEC Abidjan of Ivory Coast beat visiting Dynamos of Zimbabwe, 4-2, Sunday in the final of the African Champions league.

Donald Vasanogo scored twice as ASEC took a four-goal lead. Dynamos replied with two goals in the last 30 minutes. The first leg, in Harare, had ended 0-0. (AP)

English Batting Wilts

CRICKET England's batting collapsed Sunday on the third day of the third test against Australia in Adelaide.

England's middle and lower order batting disintegrated before lunch against Stuart MacGill's often-victorious leg spin bowling and the pace bowling of Glen McGrath.

The visitors lost seven wickets for 40 runs to be all out for 227. Australia reached 150 for one in its second innings for a lead of 314.

Yousaf Yohanna scored an elegant first test century to give Pakistan a 142-run first innings lead on the fourth day of the second test against Zimbabwe on Sunday in Lahore.

But the final session was lost because of bad light, and the match looked destined to end in a draw.

Allan Donald, the South African fast bowler, took five wickets Saturday as South Africa beat the West Indies by 178 runs in the second test.

West Indies was all out for 141 in its second innings in Port Elizabeth and trails 2-0 in the five-match series. (Reuters)

DiMaggio Gaga Doctors

BASEBALL Joe DiMaggio came out of his coma and told his doctors to shut up.

Two days after awakening from a coma, DiMaggio ordered doctors Sunday to stop giving public updates on his recovery from lung cancer surgery and pneumonia.

Doctors said Friday that the Hall of Famer was close to death. Sunday he was trying to recapture the privacy he has always cherished.

"He was very angry," said Dr. Earl Barron, who heads the team treating DiMaggio, 84. Dr. Barron said he could no longer comment on DiMaggio's health. (AP)

U.S. Team Thrashed In the Presidents Cup

International Golfers Gain Their First Victory

The Associated Press

MELBOURNE — The match between Tiger Woods and Greg Norman was only for show Sunday in the Presidents Cup. Two hours before the final putt was conceded, the Champagne already was pouring for the International team after the Massacre in Melbourne.

The International team won its first Presidents Cup on a rainy Sunday at Royal Melbourne Golf Club, 204-11½.

Not even Woods' 1-up victory over Norman could keep the United States from its worst loss in the history of match play.

"We creamed them," said Steve Elkington, the Australian golfer.

"They played some of the most unbelievable golf," said Jack Nicklaus, the U.S. captain. "Wow."

Until Sunday, the worst loss in U.S. history was 16½-11½ in the 1983 Ryder Cup at The Belfry, which turned out to be the start of European domination in those matches. The Presidents Cup, a much younger event, follows a similar format and matches a U.S. team against a team of golfers from outside Europe.

Craig Parry, who pulled off one of several stunning shots that carried the International team to a 14½-5½ lead after two days, steamrollered past Justin Leonard for a 5 and 3 victory Sunday.

Thirty minutes later, Nick Price polished off David Duval 2 and 1, and the celebration was on.

"We had a sour taste in our mouths

from last time," Parry said. "We wanted to have Champagne in our mouths tonight."

Shigeki Maruyama from Japan won the hearts of the Australian gallery and carried the International team by winning all five of his matches. Only Mark O'Meara in 1996 had gone 5-0 in the Presidents Cup.

"It wasn't a question of beating America," Price said. It was a question of winning that Cup. We want that trophy."

Some of the best matches of the day didn't even matter — Woods holding off a late charge by Norman, Fred Couples and Vijay Singh playing to a draw and Mark O'Meara winning 1-up over Stuart Appleby.

Peter Thomson, the International captain, described the U.S. team as the "greatest collection of golfers in the world" during the opening ceremonies.

Not this week. And particularly not at Royal Melbourne.

"We came in here as underdogs and came out showing the force of international golf," Norman said.

"We used to think golf was only played in the United States," Nicklaus said. "We didn't even invent it. I'm not even sure how well we play it anymore."

The International team had lost the first two Presidents Cups, both played in the United States.

The United States barely managed to put up a fight, despite having the top

OLYMPICS: Veteran Member Says IOC Votes Are Routinely Bought and Sold by Agents

Continued from Page 1

and Nagano had been compelled to circumvent the rules in their successful bids to host the 1996 Summer Olympics and 1998 Winter Olympics.

Billy Payne, who led Atlanta's bid, and Makoto Kobayashi, the general secretary of the Nagano Organizing Committee, dismissed those claims. Payne told The Associated Press that Atlanta made "no payments, direct or indirect" to IOC members.

Hodler also said Gianni Agnelli, the Fiat tycoon, had given out free vans to encourage International Ski Federation voters to select Sestriere, an Italian resort, as host of the 1997 skiing World Championships.

Fiat issued a statement claiming the allegations were "completely false."

Although some American ski officials corroborated part of the allegation, Hodler quickly amended his comments, saying he meant "no harm to the Agnelli family, which has been a great friend of skiing."

The issue of vote-hunting came to the fore because of the recent disclosure of scholarship payments made to six relatives of IOC members by Salt Lake City officials during their successful bid to host the 2002 Winter Games.

The Salt Lake Organizing Committee has said the payments came from a

privately financed \$500,000 fund started in 1991, the year it lost the bidding for the 1998 Games to Nagano.

Frank Joklik, the committee's president, issued an apology for the scholarships Sunday and said: "With hindsight, I believe this program should not have been part of the bid campaign."

Samaranch excluded the possibility of taking the Games from Salt Lake City.

Dick Pound, an IOC vice president, has been appointed to head a committee investigating allegations against Salt Lake City.

Samaranch said: "If necessary, we will expel members if this ad hoc commission thinks these members are guilty."

On Sunday, Pound said the IOC had been "concerned for some time" about agents. "What seems to be developing is a professional class of Olympic agents offering services to Olympic bid committees," he said.

Hodler wants a revision of the selection process that would strip the right to select Olympic cities from the general IOC membership and give it to the 11-member executive board, potentially in conjunction with the small committee that evaluates bids on technical merit.

"No revolution has been possible without scandals," Hodler said. "I am hoping that out of this scandal something better will grow."

Samaranch agreed that the IOC should examine changing the method of choosing Olympic hosts. To change it would require a two-thirds majority of the full IOC membership, which next meets in June in Seoul.

"This system we have now is very complicated, very slow and very expensive," Samaranch said.

On Sunday, when pressed for further comment inside the well-polished halls of Olympic headquarters, Hodler covered his mouth and said: "Muzzle imposed by the president."

Hodler is one of only four IOC members with life membership because he was appointed before age limits were imposed in 1966. Asked if he might resign, he said: "I'm not going to resign, but I might be expelled. You never know. I was already expelled once."

Hodler was suspended from the IOC in 1968 by the president at the time, Avery Brundage, for defending professionalism in skiing. But Samaranch, 78, who is not a life member, said he had no intention of squeezing out his long-time ally. He also said he had not asked Hodler not to speak with the press but had reminded all the executive board members that the only official spokesman for the IOC were himself and Francois Carrard, the director-general.

"I have great respect for Mr. Hodler," said Samaranch, who did exceed \$150 per person.

Asked why he had decided to make his allegations when he did, Hodler said: "We are just at the moment where we have to save the principles of honesty and ethics in sports in general and the IOC in particular."

press surprise that Hodler had gone public with his allegations before presenting them to the executive board.

Hodler's comments came after Bruce Baird, an Australian politician formerly in charge of Sydney's successful bid for the 2000 Summer Olympics, told the Sydney Morning Herald that he was approached by someone who told him he could secure African votes in exchange for bribes. But Baird and John Costes, the president of the Australian Olympic Committee, who was part of the bid team, said that no bidding rules were broken by Sydney officials.

"For me it's hard to believe, but I give them the benefit of the doubt," Hodler said.

Hodler also defended the bidding cities. "They have been the victims, not the villains," he said. In reference to the Salt Lake City bid, he said: "We should thank them for not having paid out money but only scholarships."

IOC rules forbid cities to give IOC members or relatives any gifts or benefits other than souvenirs or small presents for a value which should not exceed \$150 per person.

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"We are just at the moment where we have to save the principles of honesty and ethics in sports in general and the IOC in particular."

Giants Stun Broncos to End Denver Streak

The Associated Press

EAST RUTHERFORD, New Jersey — The Denver Broncos' dreams of becoming the first NFL team since 1972 Miami Dolphins to go undefeated ended Sunday when Kenner Graham threw a 37-yard touchdown pass to Arman Toomer with 43 seconds left to give the New York Giants a 20-16 victory.

The game-winning catch came in the back of the end zone with Toomer outrunning Tito Paul. For a second, the

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officials looked at each other, discussing whether Toomer's feet were in bounds. Then the back judge, Kirk Dorrian, signaled the touchdown.

Replays showed the call was correct, unlike a week ago when the officials blew a last-minute call to give the New York Jets victory over the Seattle Seahawks in a game also at Giants Stadium.

Until the late heroics, the Broncos seemed headed for their 14th straight victory and an NFL record 19th straight over two seasons, thanks to yet another John Elway-led comeback.

He engineered a 76-yard drive in seven plays with Terrell Davis (28 for 147 yards) putting the Broncos ahead, 16-13, with a 27-yard run with 4:08 to play.

Packers 26, Bears 20 in Green Bay. Dorsey Levens rushed for 105 yards as the injury-riddled Packers beat the Bears. Levens, in his third game back from a broken leg, helped the Packers beat the Bears for the ninth straight time, the longest dominance of the NFL's oldest rivalry. The Bears won eight in a row from 1985-88.

Panthers 28, Panthers 26 Skip Hicks rushed for 55 yards and two touchdowns and the Redskins extended their late-season surge with a 28-25 victory over the host Panthers.

Buccaneers 16, Steelers 13 in the playoff race after appearing all but eliminated three weeks ago, the Bucs beat visiting Pittsburgh in the rain for their first three-game winning streak of the season.

Mike Alstott scored on a 3-yard run and a defense that has regained its bite over the past month forced the Steelers to make five turnovers. Pittsburgh has not scored a touchdown in nine quarters.

Colts 39, Bengals 20 Peyton Manning passed for 210 yards and three touchdowns as the host Colts handed Cincinnati its ninth straight loss.

Marshall Faulk, the NFL leader in yards from scrimmage, had a pair of first-half touchdown runs, and his 155 yards rushing and 39 yards receiving pushed his total yardage this season to 2,090.

Cardinals 20, Eagles 17 After missing a 34-yard field goal at the end of regulation, Chris Jacke kicked a 32-yard, 4½ minutes into overtime, giving the Cardinals a victory over host Philadelphia.

Redskins 28, Vikings 26 Skip Hicks

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